AN ACT concerning energy.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Article 5. Energy Transition

Section 5-1. Short title. This Article may be cited as the Energy Transition Act. As used in this Article, "this Act" refers to this Article.

Section 5-5. Definitions. As used in this Act:

"Apprentice" means a participant in an apprenticeship program approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.

"Apprenticeship program" means an apprenticeship and training program approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.

"Black, indigenous, and people of color" or "BIPOC" means people who are members of the groups described in subparagraphs (a) through (e) of paragraph (A) of subsection (1) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Community-based organizations" means an organization that: (1) provides employment, skill development, or related

services to members of the community; (2) includes community colleges, nonprofits, and local governments; (3) has at least one main operating office in the community or region it serves; and (4) demonstrates relationships with local residents and other organizations serving the community.

"Department" means the Department of Commerce and Economic Opportunity, unless the text solely specifies a particular Department.

"Director" means the Director of Commerce and Economic Opportunity.

"Equity eligible contractor" or "eligible contractor" means:

(1) a business that is majority-owned by equity investment eligible individuals or persons who are or have been participants in the Clean Jobs Workforce Network Program, Clean Energy Contractor Incubator Program, Returning Residents Clean Jobs Training Program, Illinois Climate Works Preapprenticeship Program, or Clean Energy Primes Contractor Accelerator Program;

(2) a nonprofit or cooperative that is majority-governed by equity investment eligible individuals or persons who are or have been participants in the Clean Jobs Workforce Network Program, Clean Energy Contractor Incubator Program, Returning Residents Clean Jobs Training Program, Illinois Climate Works Preapprenticeship Program, or Clean Energy Primes

Contractor Accelerator Program; or

(3) an equity investment eligible person or an individual who is or has been a participant in the Clean Jobs Workforce Network Program, Clean Energy Contractor Incubator Program, Returning Residents Clean Jobs Training Program, Illinois Climate Works Preapprenticeship Program, or Clean Energy Primes Contractor Accelerator Program and who is offering personal services as an independent contractor.

"Equity focused populations" means (i) low-income persons; (ii) persons residing in equity investment eligible communities; (iii) persons who identify as black, indigenous, and people of color; (iv) formerly convicted persons; (v) persons who are or were in the child welfare system; (vi) energy workers; (vii) dependents of displaced energy workers; (viii) women; (ix) LGBTQ+, transgender, or gender nonconforming persons; (x) persons with disabilities; and (xi) members of any of these groups who are also youth.

"Equity investment eligible community" and "eligible community" are synonymous and mean the geographic areas throughout Illinois which would most benefit from equitable investments by the State designed to combat discrimination and foster sustainable economic growth. Specifically, the eligible community means the following areas:

(1) R3 Areas as established pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, where residents

have historically been excluded from economic opportunities, including opportunities in the energy sector; and

(2) Environmental justice communities, as defined by the Illinois Power Agency pursuant to the Illinois Power Agency Act, but excluding racial and ethnic indicators, where residents have historically been subject to disproportionate burdens of pollution, including pollution from the energy sector.

"Equity investment eligible person" and "eligible person" are synonymous and mean the persons who would most benefit from equitable investments by the State designed to combat discrimination and foster sustainable economic growth. Specifically, eligible persons means the following people:

(1) persons whose primary residence is in an equity investment eligible community;

(2) persons who are graduates of or currently enrolled in the foster care system; or

(3) persons who were formerly incarcerated.

"Climate Works Hub" means a nonprofit organization selected by the Department to act as a workforce intermediary and to participate in the Illinois Climate Works Preapprenticeship Program. To qualify as a Climate Works Hub, the organization must demonstrate the following:

(1) the ability to effectively serve diverse and underrepresented populations, including by providing

employment services to such populations;

(2) experience with the construction and building trades;

(3) the ability to recruit, prescreen, and provide preapprenticeship training to prepare workers for employment in the construction and building trades; and

(4) a plan to provide the following:

(A) preparatory classes;

(B) workplace readiness skills, such as resume preparation and interviewing techniques;

(C) strategies for overcoming barriers to entry and completion of an apprenticeship program; and

(D) any prerequisites for acceptance into an apprenticeship program.

Section 5-10. Findings. The General Assembly finds that the clean energy sector is a growing area of the economy in the State of Illinois. The General Assembly further finds that State investment in the clean energy economy in Illinois can be a vehicle for expanding equitable access to public health, safety, a cleaner environment, quality jobs, and economic opportunity.

It is in the public policy interest of the State to ensure that Illinois residents from communities disproportionately impacted by climate change, communities facing coal plant or coal mine closures, and economically disadvantaged communities

and individuals experiencing barriers to employment have access to State programs and good jobs and career opportunities in growing sectors of the State economy. To promote those interests in the growing clean energy sector, the General Assembly hereby creates this Act to increase access to and opportunities for education, training, and support services these individuals need to succeed in the labor market generally and the clean energy sector specifically. The General Assembly further finds that the programs included in this Act are essential to equitable, statewide access to quality training, jobs, and economic opportunities across the clean energy sector.

Section 5-15. Regional Administrators.

(a) Subject to appropriation, the Department shall select 3 unique Regional Administrators: one Regional Administrator for coordination of the work in the Northern Illinois Program Delivery Area, one Regional Administrator for coordination of the work in the Central Illinois Program Delivery Area, and one Regional Administrator for coordination of the work in the Southern Illinois Program Delivery Area.

(b) The Regional Administrators shall have strong capabilities, experience, and knowledge related to program development and fiscal management; cultural and language competency needed to be effective in their respective communities to be served; expertise in working in and with

BIPOC and environmental justice communities; knowledge and experience in working with employer or sectoral partnerships, if applicable, in clean energy or related sectors; and awareness of industry trends and activities, workforce development best practices, regional workforce development needs, regional and industry employers, and community development. The Regional Administrators shall demonstrate a track record of strong partnerships with community-based organizations and labor organizations.

(c) The Regional Administrators shall work together to administer the implementation of the Clean Jobs Workforce Network Program, the Illinois Climate Works Preapprenticeship Program, the Clean Energy Contractor Incubator Program, and the Returning Resident Clean Jobs Training Program.

Section 5-20. Clean Jobs Workforce Network Program.

(a) As used in this Section, "Program" means the Clean Jobs Workforce Network Program.

(b) Subject to appropriation, the Department shall develop and, through Regional Administrators, administer the Clean Jobs Workforce Network Program to create a network of 13 Program delivery Hub Sites with program elements delivered by community-based organizations and their subcontractors geographically distributed across the State including at least one Hub Site located in or near each of the following areas: Chicago (South Side), Chicago (Southwest and West Sides),

Waukegan, Rockford, Aurora, Joliet, Peoria, Champaign, Danville, Decatur, Carbondale, East St. Louis, and Alton.

(c) In admitting program participants, for each workforce Hub Site, the Regional Administrators shall:

(1) in each Hub Site where the applicant pool allows:

(A) dedicate at least one-third of program placements to applicants who reside in a geographic area that is impacted by economic and environmental challenges, defined as an area that is both (i) an R3 Area, as defined pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, and (ii) an environmental justice community, as defined by the Illinois Power Agency, excluding any racial or ethnic indicators used by the agency unless and until the constitutional basis for their inclusion in determining program admissions is established. Among applicants that satisfy these criteria, preference shall be given to applicants who face barriers to employment, such as low educational attainment, prior involvement with the criminal legal system, and language barriers; and applicants that are graduates of or currently enrolled in the foster care system; and

(B) dedicate at least two-thirds of program placements to applicants that satisfy the criteria in paragraph (1) or who reside in a geographic area that

is impacted by economic or environmental challenges, defined as an area that is either (i) an R3 Area, as defined pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, or (ii) an environmental justice community, as defined by the Illinois Power Agency, excluding any racial or ethnic indicators used by the agency unless and until the constitutional basis for their inclusion in determining program admissions is established. Among applicants that satisfy these criteria, preference shall be given to applicants who face barriers to employment, such as low educational attainment, prior involvement with the criminal legal system, and language barriers; and applicants that are graduates of or currently enrolled in the foster care system; and

(2) prioritize the remaining program placements for: applicants who are displaced energy workers as defined in the Energy Community Reinvestment Act; persons who face barriers to employment, including low educational attainment, prior involvement with the criminal legal system, and language barriers; and applicants who are graduates of or currently enrolled in the foster care system, regardless of the applicant's area of residence.

The Department and Regional Administrators shall protect the confidentiality of any personal information provided by program applicants regarding the applicant's status as a

formerly incarcerated person or foster care recipient; however, the Department or Regional Administrators may publish aggregated data on the number of participants that were formerly incarcerated or foster care recipients so long as that publication protects the identities of those persons.

Any person who applies to the program may elect not to share with the Department or Regional Administrators whether he or she is a graduate or currently enrolled in the foster care system or was formerly convicted.

(d) Program elements for each Hub Site shall be provided by a community-based organization. The Department shall initially select a community-based organization in each Hub Site and shall subsequently select a community-based organization in each Hub Site every 3 years. Community-based organizations delivering program elements outlined in subsection (e) may provide all elements required or may subcontract to other entities for provision of portions of program elements, including, but not limited to, administrative soft and hard skills for program participants, delivery of specific training in the core curriculum, or provision of other support functions for program delivery compliance.

(e) The Clean Jobs Workforce Hubs Network shall:

(1) coordinate with Energy Transition Navigators: (i) to increase participation in the Clean Jobs Workforce Network Program and clean energy and related sector

workforce and training opportunities; (ii) coordinate recruitment, communications, and ongoing engagement with potential employers, including, but not limited to, activities such as job matchmaking initiatives, hosting events such as job fairs, and collaborating with other Hub Sites to identify and implement best practices for employer engagement; and (iii) leverage community-based organizations, educational institutions, and community-based and labor-based training providers to ensure program-eligible individuals across the State have dedicated and sustained support to enter and complete the career pipeline for clean energy and related sector jobs;

(2) develop formal partnerships, including formal sector partnerships between community-based organizations and entities that provide clean energy jobs, including businesses, nonprofit organizations, and worker-owned cooperatives, to ensure that Program participants have priority access to employment training and hiring opportunities; and

(3) implement the Clean Jobs Curriculum to provide, including, but not limited to, training, certification preparation, job readiness, and skill development, including soft skills, math skills, technical skills, certification test preparation, and other development needed, to Program participants.

(f) Funding for the Program is subject to appropriation

from the Energy Transition Assistance Fund.

(g) The Department shall require submission of quarterly reports, including program performance metrics by each Hub Site to the Regional Administrator of their Program Delivery Area. Program performance metrics include, but are not limited to:

(1) demographic data, including racial, gender, residency in eligible communities, and geographic distribution data, on Program trainees entering and graduating the Program;

(2) demographic data, including racial, gender, residency in eligible communities, and geographic distribution data, on Program trainees who are placed in employment, including the percentages of trainees by race, gender, and geographic categories in each individual job type or category and whether employment is union, nonunion, or nonunion via temporary agency;

(3) trainee job acquisition and retention statistics, including the duration of employment (start and end dates of hires) by race, gender, and geography;

(4) hourly wages, including hourly overtime pay rate, and benefits of trainees placed into employment by race, gender, and geography;

(5) percentage of jobs by race, gender, and geography held by Program trainees or graduates that are full-time equivalent positions, meaning that the position held is

full-time, direct, and permanent based on 2,080 hours worked per year (paid directly by the employer, whose activities, schedule, and manner of work the employer controls, and receives pay and benefits in the same manner as permanent employees); and

(6) qualitative data consisting of open-ended reporting on pertinent issues, including, but not limited to, qualitative descriptions accompanying metrics or identifying key successes and challenges.

(h) Within 3 years after the effective date of this Act, the Department shall select an independent evaluator to review and prepare a report on the performance of the Program and Regional Administrators.

Section 5-25. Clean Jobs Curriculum.

(a) As used in this Section, "clean energy jobs", subject to administrative rules, means jobs in the solar energy, wind energy, energy efficiency, energy storage, solar thermal, green hydrogen, geothermal, electric vehicle industries, other renewable energy industries, industries achieving emission reductions, and other related sectors including related industries that manufacture, develop, build, maintain, or provide ancillary services to renewable energy resources or energy efficiency products or services, including the manufacture and installation of healthier building materials that contain fewer hazardous chemicals. "Clean energy jobs"

includes administrative, sales, other support functions within these industries and other related sector industries.

(b) The Department shall convene a comprehensive stakeholder process that includes representatives from the State Board of Education, the Illinois Community College Board, the Department of Labor, community-based organizations, workforce development providers, labor unions, building trades, educational institutions, residents of BIPOC and low-income communities, residents of environmental justice communities, clean energy businesses, nonprofit organizations, worker-owned cooperatives, other groups that provide clean energy jobs opportunities, groups that provide construction and building trades job opportunities, and other participants to identify the career pathways and training curriculum needed for participants to be skilled, work ready, and able to enter clean energy jobs. The curriculum shall:

(1) identify the core training curricular competency areas needed to prepare workers to enter clean energy and related sector jobs;

(2) identify a set of required core cross-training competencies provided in each training area for clean energy jobs with the goal of enabling any trainee to receive a standard set of skills common to multiple training areas that would provide a foundation for pursuing a career composed of multiple clean energy job types;

(3) include approaches to integrate broad occupational training to provide career entry into the general construction and building trades sector and any remedial education and work readiness support necessary to achieve educational and professional eligibility thresholds; and

(4) identify on-the-job training formats, where relevant, and identify suggested trainer certification standards, where relevant.

(c) The Department shall publish a report that includes the findings, recommendations, and core curriculum identified by the stakeholder group and shall post a copy of the report on its public website. The Department shall convene the process described to update and modify the recommended curriculum every 3 years to ensure the curriculum contents are current to the evolving clean energy industries, practices, and technologies.

(d) Organizations that receive funding to provide training under the Clean Jobs Workforce Network Program, including, but not limited to, community-based and labor-based training providers, and educational institutions must use the core curriculum that is developed under this Section.

Section 5-30. Energy Transition Barrier Reduction Program.

(a) As used in this Section, "Program" means the Energy Transition Barrier Reduction Program.

(b) Subject to appropriation, the Department shall create

and administer an Energy Transition Barrier Reduction Program. The Program shall be used to provide supportive services for individuals impacted by the energy transition. Services allowed are intended to help eligible individuals overcome financial and other barriers to participation in the Clean Jobs Workforce Network Program and the Illinois Climate Works Preapprenticeship Program.

(c) The Program shall be available to individuals eligible for participation in the Clean Jobs Workforce Network Program or Illinois Climate Works Preapprenticeship Program.

(d) The Department shall determine appropriate allowable program costs, elements, and financial supports to reduce barriers to successful participation in the Clean Jobs Workforce Program and the Illinois Climate Works Preapprenticeship Program for individuals eligible for these programs.

(e) Community-based organizations and other nonprofits selected by the Department shall provide supportive services described in this Section to eligible individuals participating in the Clean Jobs Workforce Network Program and Illinois Climate Works Preapprenticeship Program.

(f) The community-based organizations that provide support services under this Section shall coordinate with the Energy Transition Navigators to ensure eligible individuals have access to these services.

(g) Funding for the Program is subject to appropriation

from the Energy Transition Assistance Fund.

Section 5-35. Energy Transition Navigators.

(a) As used in this Section:

"Community-based provider" means a not-for-profit organization that has a history of serving low-wage or low-skilled workers or individuals from economically disadvantaged communities.

"Economically disadvantaged community" means areas of one or more census tracts where the average household income does not exceed 80% of the area median income.

(b) In order to engage eligible individuals to participate in the Clean Jobs Workforce Network Program, the Illinois Climate Works Preapprenticeship Program, Returning Residents Clean Jobs Program, Clean Energy Contractor Incubator Program, and Clean Energy Primes Contractor Accelerator Program and utilize the services offered under the Energy Transition Barrier Reduction Program, the Department shall, subject to appropriation, contract with community-based providers to serve as Energy Transition Navigators. Energy Transition Navigators shall provide education, outreach, and recruitment services to equity focused populations, prioritizing individuals eligible for the Clean Jobs Workforce Network Program or Illinois Climate Works Preapprenticeship Program, to make sure they are aware of and engaged in the statewide and local workforce development systems. Additional strategies may

include, but are not limited to, recruitment activities and events.

(c) For members of equity focused populations, prioritizing individuals eligible for the Clean Jobs Workforce Network Program or Illinois Climate Works Preapprenticeship Program, who may be interested in entrepreneurial pursuits, Energy Transition Navigators may connect these individuals with their area Small Business Development Center, Procurement Technical Assistance Centers, or economic development organization to engage in services, including, but not limited to, business consulting, business planning, regulatory compliance, marketing, training, accessing capital, government bid, and certification assistance.

(d) Energy Transition Navigators shall engage equity focused populations, prioritizing individuals eligible for the Clean Jobs Workforce Network Program or Illinois Climate Works Preapprenticeship Program, organizations working with these populations, local workforce innovation boards, and other relevant stakeholders to coordinate outreach initiatives to promote information regarding programs and services offered under the Clean Jobs Workforce Network Program, the Illinois Climate Works Preapprenticeship Program, and the Energy Transition Barrier Reduction Program. Energy Transition Navigators shall provide support where reasonable to individuals and entities applying for these services and programs.

(e) Community education, outreach, and recruitment regarding the Clean Jobs Workforce Network Program, the Illinois Climate Works Preapprenticeship Program, and Energy Transition Barrier Reduction Program shall be targeted to the equity focused populations, prioritizing individuals eligible for the Clean Jobs Workforce Network Program or Illinois Climate Works Preapprenticeship Program.

(f) Community-based providers shall partner with educational institutions or organizations working with equity focused populations, local employers, labor unions, and others to identify members of equity focused populations in eligible communities who are unable to advance in their careers due to inadequate skills. Community-based providers shall provide information and consultation to equity focused populations, prioritizing individuals eligible for the Clean Jobs Workforce Network Program or Illinois Climate Works Preapprenticeship Program, on various educational opportunities and supportive services available to them.

(g) Community-based providers shall establish partnerships with employers, educational institutions, local economic development organizations, environmental justice organizations, trades groups, labor unions, and entities that provide jobs, including businesses and other nonprofit organizations, to target the skill needs of local industry. The community-based provider shall work with local workforce innovation boards and other relevant partners to develop skill

curriculum and career pathway support for disadvantaged individuals in equity focused populations, prioritizing individuals eligible for the Clean Jobs Workforce Network Program or Illinois Climate Works Preapprenticeship Program, that meets local employers' needs and establishes job placement opportunities after training.

(h) Funding for the Program is subject to appropriation from the Energy Transition Assistance Fund. Priority in awarding grants under this Section will be given to organizations that also have experience serving populations impacted by climate change.

(i) Each community-based organization that receives funding from the Department as an Energy Transition Navigator shall provide an annual report to the Department by April 1 of each calendar year. The annual report shall include the following information:

(1) a description of the community-based organization's recruitment, screening, and training efforts;

(2) the number of individuals who apply to, participate in, and complete programs offered through the Energy Transition Workforce Program, broken down by race, gender, age, and location; and

(3) any other information deemed necessary by the Department.

Section 5-40. Illinois Climate Works Preapprenticeship Program.

(a) Subject to appropriation, the Department shall develop, and through Regional Administrators administer, the Illinois Climate Works Preapprenticeship Program. The goal of the Illinois Climate Works Preapprenticeship Program is to create a network of hubs throughout the State that will recruit, prescreen, and provide preapprenticeship skills training, for which participants may attend free of charge and receive a stipend, to create a qualified, diverse pipeline of workers who are prepared for careers in the construction and building trades and clean energy jobs opportunities therein. Upon completion of the Illinois Climate Works Preapprenticeship Program, the candidates will be connected to and prepared to successfully complete an apprenticeship program.

(b) Each Climate Works Hub that receives funding from the Energy Transition Assistance Fund shall provide an annual report to the Illinois Works Review Panel by April 1 of each calendar year. The annual report shall include the following information:

(1) a description of the Climate Works Hub's recruitment, screening, and training efforts, including a description of training related to construction and building trades opportunities in clean energy jobs;

(2) the number of individuals who apply to,

participate in, and complete the Climate Works Hub's program, broken down by race, gender, age, and veteran status;

(3) the number of the individuals referenced in paragraph (2) of this subsection who are initially accepted and placed into apprenticeship programs in the construction and building trades; and

(4) the number of individuals referenced in paragraph (2) of this subsection who remain in apprenticeship programs in the construction and building trades or have become journeymen one calendar year after their placement, as referenced in paragraph (3) of this subsection.

(c) Subject to appropriation, the Department shall provide funding to 3 Climate Works Hubs throughout the State, including one to the Illinois Department of Transportation Region 1, one to the Illinois Department of Transportation Regions 2 and 3, and one to the Illinois Department of Transportation Regions 4 and 5. The Department shall initially select a community-based provider in each region and shall subsequently select a community-based provider in each region every 3 years.

(d) The Climate Works Hubs shall recruit, prescreen, and provide preapprenticeship training to equity investment eligible persons. This training shall include information related to opportunities and certifications relevant to clean energy jobs in the construction and building trades.

(e) Funding for the Program is subject to appropriation from the Energy Transition Assistance Fund.

(f) The Department shall adopt any rules deemed necessary to implement this Section.

Section 5-45. Clean Energy Contractor Incubator Program.

(a) As used in this Section, "community-based organization" means a nonprofit organization, including an accredited public college or university that:

(1) has a history of providing business-related assistance and knowledge to help entrepreneurs start, run, and grow their businesses;

(2) has knowledge of construction and clean energy trades;

(3) demonstrates relationships with local residents and other organizations serving the community; and

(4) demonstrates the ability to effectively serve diverse and underrepresented populations.

(b) Subject to appropriation, the Department shall develop, and through the Regional Administrators, administer the Clean Energy Contractor Incubator Program ("Program") to create a network of 13 Program delivery Hub Sites with program elements delivered by community-based organizations and their subcontractors geographically distributed across the State, including at least one Hub Site located in or near each of the following areas: Chicago (South Side), Chicago (Southwest and

West Sides), Waukegan, Rockford, Aurora, Joliet, Peoria, Champaign, Danville, Decatur, Carbondale, East St. Louis, and Alton.

(c) In admitting program participants, for each Contractor Incubator Hub Site the Regional Administrators shall:

(1) in each Hub Site where the applicant pool allows:

(A) dedicate at least one-third of program placements to the owners of clean energy contractor businesses and nonprofits who reside in a geographic area that is impacted by economic and environmental challenges, defined as an area that is both (i) an R3 Area, as defined pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, and (ii) an environmental justice community, as defined by the Illinois Power Agency, excluding any racial or ethnic indicators used by the agency unless and until the constitutional basis for their inclusion in determining program admissions is established. Among applicants that satisfy these criteria, preference shall be given to applicants who face barriers to employment, such as low educational attainment, prior involvement with the criminal legal system, and language barriers; and applicants that are graduates of or currently enrolled in the foster care system; and

(B) dedicate at least two-thirds of program

placements to the owners of clean energy contractor businesses and nonprofits that satisfy the criteria in paragraph (1) or who reside in eligible communities. Among applicants who live in eligible communities, preference shall be given to applicants who face barriers to employment, such as low educational attainment, prior involvement with the criminal legal system, and language barriers; and applicants that are graduates of or currently enrolled in the foster care system; and

(2) prioritize the remaining program placements for: applicants who are displaced energy workers as defined in the Energy Community Reinvestment Act; persons who face barriers to employment, including low educational attainment, prior involvement with the criminal legal system, and language barriers; and applicants who are graduates of or currently enrolled in the foster care system, regardless of the applicants' area of residence.

Consideration shall also be given to any current or past participant in the Clean Jobs Workforce Network Program, Illinois Climate Works Preapprenticeship Program, or Returning Residents Clean Energy Jobs Training Program.

The Department and Regional Administrators shall protect the confidentiality of any personal information provided by program applicants regarding the applicant's status as a formerly incarcerated person or foster care recipient;

however, the Department or Regional Administrators may publish aggregated data on the number of participants that were formerly incarcerated or foster care recipients so long as that publication protects the identities of those persons.

Any person who applies to the program may elect not to share with the Department or Regional Administrators whether he or she is a graduate or currently enrolled in the foster care system or was formerly convicted.

(d) Program elements at each Hub Site shall be provided by a local community-based organization. The Department shall initially select a community-based organization in each Hub Site and shall subsequently select a community-based organization in each Hub Site every 3 years. Community-based organizations delivering program elements outlined in subsection (e) may provide all elements required or may subcontract to other entities for provision of portions of program elements, including, but not limited to, administrative soft and hard skills for program participants, delivery of specific training in the core curriculum, or provision of other support functions for program delivery compliance.

(e) The Clean Energy Contractor Incubator Program shall:

(1) provide access to low-cost capital for small clean energy businesses and contractors;

(2) provide support for obtaining financial assurance, including, but not limited to: bonding; back office

services; insurance, permits, training and certifications; business planning; and low-interest loans;

(3) train, mentor, and provide other support needed to allow participant contractors to: (i) build their businesses and connect to specific projects, (ii) register as approved vendors, (iii) engage in approved vendor subcontracting and qualified installer opportunities, (iv) develop partnering and networking skills, (v) compete for capital and other resources, and (vi) execute clean energy-related project installations and subcontracts;

(4) ensure that participant contractors, community partners, and potential contractor clients are aware of and engaged in the Program;

(5) provide prevailing wage compliance training and back office support to implement prevailing wage practices; and

(6) provide recruitment and ongoing engagement with entities that hire contractors and subcontractors, programs providing renewable energy resource-related projects, incentive programs, and approved vendor and qualified installer opportunities, including, but not limited to, activities such as matchmaking, events, and collaborating with other Hub Sites.

(f) Funding for the Program is subject to appropriation from the Energy Transition Assistance Fund.

(g) The Department shall require submission of quarterly

reports including program performance metrics by each Hub Site to the Regional Administrator of their Program Delivery Area. Program performance metrics include, but are not limited to:

(1) demographic data including: race, gender, geographic location, R3 residency, Environmental Justice Community residency, foster care system participation, and justice-involvement for the owners of contractors applying, accepted into, and graduating from the Program;

(2) the number of projects completed by participant contractors, alone or in partnership, by race, gender, geographic location, R3 residency, Environmental Justice Community residency, foster care system participation, and justice-involvement for the owners of contractors;

(3) the number of partnerships with participant contractors that are expected to result in contracts for work by the participant contractor, by race, gender, geographic location, R3 residency, Environmental Justice Community residency, foster care system participation, and justice-involvement for the owners of contractors;

(4) changes in participant contractors' business revenue, by race, gender, geographic location, R3 residency, Environmental Justice Community residency, foster care system participation, and justice-involvement for the owners of contractors;

(5) the number of new hires by participant contractors, by race, gender, geographic location, R3

residency, Environmental Justice Community residency, foster care system participation, and justice-involvement;

(6) demographic data, including race, gender, geographic location, R3 residency, Environmental Justice Community residency, foster care system participation, and justice-involvement, and average wage data, for new hires by participant contractors;

(7) certifications held by participant contractors, and number of participants holding each certification, including, but not limited to, registration under the Business Enterprise for Minorities, Women, and Persons with Disabilities Act program and other programs intended to certify BIPOC entities;

(8) the number of Program sessions attended by participant contractors, aggregated by race; and

(9) indicators relevant for assessing the general financial health of participant contractors.

(h) Within 3 years after the effective date of this Act, the Department shall select an independent evaluator to review and prepare a report on the performance of the Program and Regional Administrators. The report shall be posted publicly.

Section 5-50. Returning Residents Clean Jobs Training Program.

(a) Subject to appropriation, the Department shall develop and, in coordination with the Department of Corrections,

administer the Returning Residents Clean Jobs Training Program.

(b) As used in this Section:

"Commitment" means a judicially determined placement in the custody of the Department of Corrections on the basis of a conviction.

"Committed person" means a person committed to the Department of Corrections.

"Community-based organization" means an organization that:

(1) provides employment, skill development, or related services to members of the community;

(2) includes community colleges, nonprofits, and local governments; and

(3) has a history of serving inmates or formerly convicted persons.

"Correctional institution or facility" means a Department of Corrections building or part of a Department of Corrections building where committed persons are detained in a secure manner.

"Department" means the Department of Corrections.

"Discharge" means the end of a sentence or the final termination of a detainee's physical commitment to and confinement in the Department of Corrections.

"Program" means the Returning Residents Clean Jobs Training Program.

"Program Administrator" means, for each Program Delivery

Area, the administrator selected by the Department pursuant to paragraph (1) of subsection (g) of this Section.

"Returning resident" means any United States resident who is: (i) 17 years of age or older; (ii) in the physical custody of the Department of Corrections; and (iii) scheduled to be re-entering society within 36 months.

(c) Returning Residents Clean Jobs Training Program.

(1) Connected services. The Program shall prepare graduates to work in the solar power and energy efficiency industries.

(2) Recruitment of participants. The Program Administrators shall, in coordination with the Department of Corrections, educate committed persons in both men's and women's correctional institutions and facilities on the benefits of the Program and how to enroll in the Program.

(3) Connection to employers. The Program Administrators shall, with assistance from the Regional Administrators, connect Program graduates with potential employers in the solar power and energy efficiency and related industries.

(4) Graduation. Participants who successfully complete all assignments in the Program shall receive a Program graduation certificate and any certifications earned in the process.

(5) Eligibility. A committed person in a correctional

institution or facility is eligible if the committed person:

(i) is within 36 months of expected release;

(ii) consented in writing to participation in the Program;

(iii) meets all Program and testing requirements;

(iv) is willing to follow all Program requirements; and

(v) does not pose a safety and security risk for the facility or any person.

The Department of Corrections shall have sole discretion to determine whether a committed person's participation in the Program poses a safety and security risk for the facility or any person. The Department of Corrections shall determine whether a committed person is eligible to participate in the Program.

(d) Program entry and testing requirements. To enter the Returning Residents Clean Jobs Training Program, committed persons must complete a simple application, undergo an interview and coaching session, and must score a minimum of a 6.0 or above on the Test for Adult Basic Education. The Returning Residents Clean Jobs Training Program shall include a one-week pre-program orientation that ensures the candidates understand and are interested in continuing the Program. Candidates that successfully complete the orientation may continue to the full Program.

(d-5) Once approved for the new program, candidates must receive essential employability skills training as part of vocational or occupational training. Training must lead to certifications or credentials that prepare candidates for employment.

(e) Removal from the Program. The Department of Corrections may remove a committed person enrolled in the Program for violation of institutional rules; failure to participate or meet expectations of the Program; failure of a drug test; disruptive behavior; or for reasons of safety, security, and order of the facility.

(f) Drug testing. A clean drug test is required to complete the Returning Residents Clean Jobs Training Program. A drug test shall be administered at least once prior to graduation. The Department of Corrections shall be responsible for the drug testing of applicants.

(g) Curriculum.

(1) The Department of Commerce and Economic Opportunity shall design a curriculum for the Program that is as similar as practical to the Clean Jobs Curriculum and meets in-facility requirements. The curriculum shall focus on preparing graduates for employment in the solar power and energy efficiency industries. The Program shall include structured hands-on activities in correctional institutions or facilities, including classroom spaces and outdoor spaces, to instruct participants in the core

curriculum established in this Act. The Department shall consult with the Department of Corrections to ensure all curriculum elements may be available within Department of Corrections facilities.

(2) The Program Administrators shall collaborate to create and publish a guidebook that allows for the implementation of the curriculum and provides information on all necessary and useful resources for Program participants and graduates.

(h) Program administration.

(1) The Department of Commerce and Economic Opportunity shall establish and hire a Program Administrator for each Program Delivery Area to administer and coordinate the Program. The Program Administrators shall have strong capabilities, experience, and knowledge related to program development and economic management; cultural and language competency needed to be effective in the communities to be served; expertise in working in and with equity investment eligible communities; knowledge and experience in working with providers of clean energy jobs; and awareness of solar power and energy efficiency industry trends and activities, workforce development best practices, regional workforce development needs, and community development. The Program Administrators shall demonstrate a track record of strong partnerships with community-based organizations.

The Program Administrator must pass a background check administered by the Department of Corrections and be approved by the Department of Corrections to work within a secure facility prior to being hired by the Department of Commerce and Economic Opportunity for a Program delivery area.

(2) The Program Administrators shall:

(i) coordinate with Regional Administrators and the Clean Jobs Workforce Network Program to ensure that execution, performance, partnerships, marketing, and Program access across the State consistent with respecting regional differences;

(ii) work with community-based organizations approved to provide industry-recognized credentials or education institutions to deliver the Program;

(iii) collaborate to create and publish an employer "Hiring Returning Residents" handbook that includes benefits and expectations of hiring returning residents, guidance on how to recruit, hire, and retain returning residents, guidance on how to access State and federal tax credits and incentives and State and federal resources, guidance on how to update company policies to support hiring and supporting returning residents, and an understanding of the harm in one-size-fits-all policies toward returning residents. The handbook shall be updated every 5 years

or more frequently if needed to ensure that its contents are accurate. The handbook shall be made available on the Department's website;

(iv) work with potential employers to promote company policies to support hiring and supporting returning residents via employee/employer liability, coverage, insurance, bonding, training, hiring practices, and retention support;

(v) provide services such as job coaching and financial coaching to Program graduates to support employment longevity; and

(vi) identify clean energy job opportunities and assist participants in achieving employment. The Program shall include at least one job fair; include job placement discussions with clean energy employers; establish a partnership with Illinois solar energy businesses and trade associations to identify solar employers that support and hire returning residents; and involve the Department of Commerce and Economic Opportunity, Regional Administrators, and the Advisory Council in finding employment for participants and graduates in the clean energy and related sector industries.

(3) The Department shall select community-based organizations to provide Program elements at each facility. Community-based organizations shall be

competitively selected by the Department of Commerce and Economic Opportunity. Community-based organizations delivering the Program elements outlined may provide all elements required or may subcontract to other entities for the provision of portions of Program elements. All contractors who have regular interactions with committed persons, regularly access a Department of Corrections facility, or regularly access a committed person's personal identifying information or other data elements must pass a Department of Corrections background check prior to being approved to administer the Program elements at a facility.

(4) The Department shall aim to include training in conjunction with other pre-release procedures and movements. Delays in a workshop being provided shall not cause delays in discharge.

(5) The Program Administrators may establish shortened Returning Resident Clean Jobs Training Programs to prepare and place graduates in the Clean Jobs Workforce Network Program or the Illinois Climate Works Preapprenticeship Program following the graduate's release from commitment. Any graduate of these programs must be guaranteed placement in a Clean Jobs Workforce Hubs training program or the Illinois Climate Works Preapprenticeship Program.

(6) The Director of Corrections shall:

(i) Ensure that the wardens or superintendents of

all correctional institutions and facilities visibly post information on the Program in an accessible manner for committed individuals.

(ii) Identify the institutions and facilities within the Department of Corrections that will offer the Program. The determination of which facility will offer the Program shall be based on available programming space, staffing, population, facility mission, security concerns, and any other relevant factor in determining suitable locations for the Program.

(i) Performance metrics.

(1) The Program Administrators shall collect data to evaluate and ensure Program and participant success, including:

(i) the number of returning residents who enrolled in the Program;

(ii) the number of returning residents who completed the Program;

(iii) the total number of individuals discharged;

(iv) the demographics of each entering and graduating class;

(v) the percentage of graduates employed at 6 and 12 months after release;

(vi) the recidivism rate of Program participants at 3 and 5 years after release;

(vii) the candidates interviewed and hiring status;

(viii) the graduate employment status, such as hire date, pay rates, whether full-time, part-time, or seasonal, and separation date; and

(ix) continuing education and certifications gained by Program graduates.

(2) The Department of Commerce and Economic Opportunity shall publish an annual report containing these performance metrics. Data may be disaggregated by institution, discharge, or residence address of resident, and other factors.

(j) Funding. Funding for the Program is subject to appropriation from the Energy Transition Assistance Fund. Funding may be made available from other lawful sources, including donations, grants, and federal incentives.

(k) Access. The Program instructors and staff must pass a background check administered by the Department of Corrections prior to entering a Department of Corrections institution or facility. The Warden or Superintendent shall have the authority to deny a Program instructor or staff member entry into an institution or facility for safety and security concerns or failure to follow all facility procedures or protocols. A Program instructor or staff member administering the Program may be terminated or have his or her contract canceled if the Program instructor or staff member is denied

entry into an institution or facility for safety and security concerns.

Section 5-55. Clean Energy Primes Contractor Accelerator Program.

(a) As used in this Section:

"Approved vendor" means the definition of that term used and as may be updated by the Illinois Power Agency.

"Minority business" means a minority-owned business as defined in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Minority Business Enterprise certification" means the certification or recognition certification affidavit from the State of Illinois Department of Central Management Services Business Enterprise Program or a program with equivalent requirements.

"Program" means the Clean Energy Primes Contractor Accelerator Program.

"Returning resident" has the meaning given to that term in Section 5-50 of this Act.

(b) Subject to appropriation, the Department shall develop, and through a Primes Program Administrator and Regional Primes Program Leads described in this Section, administer the Clean Energy Primes Contractor Accelerator Program. The Program shall be administered in 3 program delivery areas: the Northern Illinois Program Delivery Area

covering Northern Illinois, the Central Illinois Program Delivery Area covering Central Illinois, and the Southern Illinois Program Delivery Area covering Southern Illinois. Prior to developing the Program, the Department shall solicit public comments, with a 30-day comment period, to gather input on Program implementation and associated community outreach options.

(c) The Program shall be available to selected contractors who best meet the following criteria:

(1) 2 or more years of experience in a clean energy or a related contracting field;

(2) at least $5,000 in annual business; and

(3) a substantial and demonstrated commitment of investing in and partnering with individuals and institutions in equity investment eligible communities.

(c-5) The Department shall develop scoring criteria to select contractors for the Program, which shall consider:

(1) projected hiring and industry job creation, including wage and benefit expectations;

(2) a clear vision of strategic business growth and how increased capitalization would benefit the business;

(3) past project work quality and demonstration of technical knowledge;

(4) capacity the applicant is anticipated to bring to project development;

(5) willingness to assume risk;

(6) anticipated revenues from future projects;

(7) history of commitment to advancing equity as demonstrated by, among other things, employment of or ownership by equity investment eligible persons and a history of partnership with equity focused community organizations or government programs; and

(8) business models that build wealth in the larger underserved community.

Applicants for Program participation shall be allowed to reapply for a future cohort if they are not selected, and the Primes Program Administrator shall inform each applicant of this option.

(d) The Department, in consultation with the Primes Program Administrator and Regional Primes Program Leads, shall select a new cohort of participant contractors from each Program Delivery Area every 18 months. Each regional cohort shall include between 3 and 5 participants. The Program shall cap contractors in the energy efficiency sector at 50% of available cohort spots and 50% of available grants and loans, if possible.

(e) The Department shall hire a Primes Program Administrator with experience in leading a large contractor-based business in Illinois; coaching and mentoring; the Illinois clean energy industry; and working with equity investment eligible community members, organizations, and businesses.

(f) The Department shall select 3 Regional Primes Program Leads who shall report directly to the Primes Program Administrator. The Regional Primes Program Leads shall be located within their Program Delivery Area and have experience in leading a large contractor-based business in Illinois; coaching and mentoring; the Illinois clean energy industry; developing relationships with companies in the Program Delivery Area; and working with equity investment eligible community members, organizations, and businesses.

(g) The Department may determine how Program elements will be delivered or may contract with organizations with experience delivering the Program elements described in subsection (h) of this Section.

(h) The Clean Energy Primes Contractor Accelerator Program shall provide participants with:

(1) a 5-year, 6-month progressive course of one-on-one coaching to assist each participant in developing an achievable 5-year business plan, including review of monthly metrics, and advice on achieving participant's goals;

(2) operational support grants not to exceed $1,000,000 annually to support the growth of participant contractors with access to capital for upfront project costs and pre-development funding, among others. The amount of the grant shall be based on anticipated project size and scope;

(3) business coaching based on the participant's needs;

(4) a mentorship of approximately 2 years provided by a qualified company in the participant's field;

(5) access to Clean Energy Contractor Incubator Program services;

(6) assistance with applying for Minority Business Enterprise certification and other relevant certifications and approved vendor status for programs offered by utilities or other entities;

(7) assistance with preparing bids and Request for Proposal applications;

(8) opportunities to be listed in any relevant directories and databases organized by the Department of Central Management Services;

(9) opportunities to connect with participants in other Department programs;

(10) assistance connecting with and initiating participation in the Illinois Power Agency's Adjustable Block program, the Illinois Solar for All Program, and utility programs; and

(11) financial development assistance programs such as zero-interest and low-interest loans with the Climate Bank as established by Article 850 of the Illinois Finance Authority Act or a comparable financing mechanism. The Illinois Finance Authority shall retain authority to

determine loan repayment terms and conditions.

(i) The Primes Program Administrator shall:

(1) collect and report performance metrics as described in this Section;

(2) review and assess:

(i) participant work plans and annual goals; and

(ii) the mentorship program, including approved mentor companies and their stipend awards; and

(3) work with the Regional Primes Program Leads to publicize the Program; design and implement a mentorship program; and ensure participants are quickly on-boarded.

(j) The Regional Primes Program Leads shall:

(1) publicize the Program; the budget shall include funds to pay community-based organizations with a track record of working with equity investment eligible communities to complete this work;

(2) recruit qualified Program applicants;

(3) assist Program applicants with the application process;

(4) introduce participants to the Program offerings;

(5) conduct entry and annual assessments with participants to identify training, coaching, and other Program service needs;

(6) assist participants in developing goals on entry and annually, and assessing progress toward meeting the goals;

(7) establish a metric reporting system with each participant and track the metrics for progress against the contractor's work plan and Program goals;

(8) assist participants in receiving their Minority Business Enterprise certification and any other relevant certifications and approved vendor statuses;

(9) match participants with Clean Energy Contractor Incubator Program offerings and individualized expert coaching, including training on working with returning residents and companies that employ them;

(10) pair participants with a mentor company;

(11) facilitate connections between participants and potential subcontractors and employees;

(12) dispense a participant's awarded operational grant funding;

(13) connect participants to zero-interest and low-interest loans from the Climate Bank as established by Article 850 of the Illinois Finance Authority Act or a comparable financing mechanism;

(14) encourage participants to apply for appropriate State and private business opportunities;

(15) review a participant's progress and make a recommendation to the Department about whether the participant should continue in the Program, be considered a Program graduate, and whether adjustments should be made to a participant's grant funding, loans, and related

services;

(16) solicit information from participants, which participants shall be required to provide, necessary to understand the participant's business, including financial and income information, certifications that the participant is seeking to obtain, and ownership, employee, and subcontractor data, including compensation, length of service, and demographics; and

(17) other duties as required.

(k) Performance metrics. The Primes Program Administrator and Regional Primes Program Leads shall collaborate to collect and report the following metrics quarterly to the Department and Advisory Council:

(1) demographic information on cohort recruiting and formation, including racial, gender, geographic distribution data, and data on the number and percentage of R3 residents, environmental justice community residents, foster care alumni, and formerly convicted persons who are cohort applicants and admitted participants;

(2) participant contractor engagement in other Illinois clean energy programs such as the Adjustable Block program, Illinois Solar for All Program, and the utility-run energy efficiency and electric vehicle programs;

(3) retention of participants in each cohort;

(4) total projects bid, started, and completed by participants, including information about revenue, hiring, and subcontractor relationships with projects;

(5) certifications issued;

(6) employment data for contractor hires and industry jobs created, including demographic, salary, length of service, and geographic data;

(7) grants and loans distributed; and

(8) participant satisfaction with the Program.

The metrics in paragraphs (2), (4), and (6) shall be collected from Program participants and graduates for 10 years from their entrance into the Program to help the Department and Program Administrators understand the Program's long-term effect.

Data should be anonymized where needed to protect participant privacy.

The Department shall make such reports publicly available on its website.

(l) Mentorship Program.

(1) The Regional Primes Program Leads shall recruit, and the Primes Program Administrator shall select, with approval from the Department, private companies with the following qualifications to mentor participants and assist them in succeeding in the clean energy industry:

(i) excellent standing with state clean energy programs;

(ii) 4 or more years of experience in their field; and

(iii) a proven track record of success in their field.

(2) Mentor companies may receive a stipend, determined by the Department, for their participation. Mentor companies may identify what level of stipend they require.

(3) The Primes Program Administrator shall develop guidelines for mentor company-mentee profit sharing or purchased services agreements.

(4) The Regional Primes Program Leads shall:

(i) collaborate with mentor companies and participants to create a plan for ongoing contact such as on-the-job training, site walkthroughs, business process and structure walkthroughs, quality assurance and quality control reviews, and other relevant activities;

(ii) recommend the mentor company-mentee pairings and associated mentor company stipends for approval;

(iii) conduct an annual review of each mentor company-mentee pairing and recommend whether the pairing continues for a second year and the level of stipend that is appropriate. The review shall also ensure that any profit sharing and purchased services agreements adhere to the guidelines established by the Primes Program Administrator.

(5) Contractors may request reassignment to a new mentor company.

(m) Disparity study. The Program Administrator shall cooperate with the Illinois Power Agency in the conduct of a disparity study, as described in subsection (c-15) of Section 1-75 of the Illinois Power Agency Act, and in the effectuation of appropriate remedies necessary to address any discrimination that such study may find. Potential remedies shall include, but not be limited to, race-conscious remedies to rapidly eliminate discrimination faced by minority businesses and works in the industry this Program serves, consistent with the law. Remedies shall be developed through consultation with individuals, companies, and organizations that have expertise on discrimination faced in the market and potential legally permissible remedies for addressing it. Notwithstanding any other requirement of this Section, the Program Administrator shall modify program participation criteria or goals as soon as the report has been published, in such a way as is consistent with state and federal law, to rapidly eliminate discrimination on minority businesses and workers in the industry this Program serves by setting standards for Program participation. This study will be paid for with funds from the Energy Transition Assistance Fund or any other lawful source.

(n) Program budget.

(1) The Department may allocate up to $3,000,000

annually to the Primes Program Administrator for each of the 3 regional budgets from the Energy Transition Assistance Fund.

(2) The Primes Program Administrator shall work with the Illinois Finance Authority and the Climate Bank as established by Article 850 of the Illinois Finance Authority Act or comparable financing institution so that loan loss reserves may be sufficient to underwrite $7,000,000 in low-interest loans in each of the 3 Program delivery areas.

(3) Any grant and loan funding shall be made available to participants in a timely fashion.

Section 5-60. Jobs and Environmental Justice Grant Program.

(a) In order to provide upfront capital to support the development of projects, businesses, community organizations, and jobs creating opportunity for historically disadvantaged populations, and to provide seed capital to support community ownership of renewable energy projects, the Department of Commerce and Economic Opportunity shall create and administer a Jobs and Environmental Justice Grant Program. The grant program shall be designed to help remove barriers to project, community, and business development caused by a lack of capital.

(b) The grant program shall provide grant awards of up to

$1,000,000 per application to support the development of renewable energy resources as defined in Section 1-10 of the Illinois Power Agency Act, and energy efficiency measures as defined in Section 8-103B of the Public Utilities Act. The amount of a grant award shall be based on a project's size and scope. Grants shall be provided upfront, in advance of other incentives, to provide businesses, organizations, and community groups with capital needed to plan, develop, and execute a project. Grants shall be designed to coordinate with and supplement existing incentive programs, such as the Adjustable Block program, the Illinois Solar for All Program, the community renewable generation projects, and renewable energy procurements as described in the Illinois Power Agency Act, as well as utility energy efficiency measures as described in Section 8-103B of the Public Utilities Act.

(c) The Jobs and Environmental Justice Grant Program shall include 2 subprograms:

(1) the Equitable Energy Future Grant Program; and

(2) the Community Solar Energy Sovereignty Grant Program.

(d) The Equitable Energy Future Grant Program is designed to provide seed funding and pre-development funding opportunities for disadvantaged contractors and to projects that earn Equitable Energy Future Certification under Section 1-75 of the Illinois Power Agency Act.

(1) The Equitable Energy Future Grant shall be awarded

to businesses and nonprofit organizations for costs related to the following activities and project needs:

(i) planning and project development, including costs for professional services such as architecture, design, engineering, auditing, consulting, and developer services;

(ii) project application, deposit, and approval;

(iii) purchasing and leasing of land;

(iv) permitting and zoning;

(v) interconnection application costs and fees, studies, and expenses;

(vi) equipment and supplies;

(vii) community outreach, marketing, and engagement; and

(viii) staff and operations expenses.

(2) Grants shall be awarded to projects that most effectively provide opportunities for equity eligible contractors and equity investment eligible communities, and should consider the following criteria:

(i) projects that provide community benefits, which are projects that have one or more of the following characteristics: (A) greater than 50% of the project's energy provided or saved benefits low-income residents, or (B) the project benefits not-for-profit organizations providing services to low-income households, affordable housing owners, or

community-based limited liability companies providing services to low-income households;

(ii) projects that are located in equity investment eligible communities;

(iii) projects that provide on-the-job training;

(iv) projects that contract with contractors who are participating or have participated in the Clean Energy Contractor Incubator Program, Clean Energy Primes Contractor Accelerator Program, or similar programs; and

(v) projects employ a minimum of 51% of its workforce from participants and graduates of the Clean Jobs Workforce Network Program, Illinois Climate Works Preapprenticeship Program, and Returning Residents Clean Jobs Training Program.

(3) Grants shall be awarded to applicants that meet the following criteria:

(i) earn Equitable Energy Future Certification per the equity accountability systems described in subsection (c-10) of Section 1-75 of the Illinois Power Agency Act, or meet the equity building criteria in paragraph (9.5) of subsection (g) of Section 8-103B of the Public Utilities Act; and

(ii) provide demonstrable proof of a historical or future, and persisting, long-term partnership with the community in which the project will be located.

(e) The Community Solar Energy Sovereignty Grant Program shall be designed to support the pre-development and development of community solar projects that promote community ownership and energy sovereignty.

(1) Grants shall be awarded to applicants that best demonstrate the ability and intent to create community ownership and other local community benefits, including local community wealth building via community renewable generation projects. Grants shall be prioritized to applicants for whom:

(i) the proposed project is located in and supporting an equity investment eligible community or communities; and

(ii) the proposed project provides additional benefits for participating low-income households.

(2) Grant funds shall be awarded to support project pre-development work and may also be awarded to support the development of programs and entities to assist in the long-term governance, management, and maintenance of community solar projects, such as community solar cooperatives. For example, funds may be awarded for:

(i) early stage project planning;

(ii) project team organization;

(iii) site identification;

(iv) organizing a project business model and securing financing;

(v) procurement and contracting;

(vi) customer outreach and enrollment;

(vii) preliminary site assessments;

(viii) development of cooperative or community ownership model; and

(ix) development of project models that allocate benefits to equity investment eligible communities.

(3) Grant recipients shall submit reports to the Department at the end of the grant term on the activities pursued under their grant and any lessons learned for publication on the Department's website so that other energy sovereignty projects may learn from their experience.

(4) Eligible applicants shall include community-based organizations, as defined in the Illinois Power Agency's long-term renewable resources procurement plan, or technical service providers working in direct partnership with community-based organizations.

(5) The amount of a grant shall be based on a projects' size and scope. Grants shall allow for a significant portion, or the entirety, of the grant value to be made upfront, in advance of other incentives, to ensure businesses and organizations have the capital needed to plan, develop, and execute a project.

(f) The application process for both subprograms shall not be burdensome on applicants, nor require extensive technical

knowledge, and shall be able to be completed on less than 4 standard letter-sized pages.

(g) The Program shall coordinate its grant subprograms with the Clean Energy Jobs and Justice Fund to coordinate grants under this Program with low-interest and no-interest financing opportunities offered by the fund.

(h) The grant subprograms may have a budget of up to $34,000,000 per year. No more than 25% of the allocated budget shall go to the Community Solar Energy Sovereignty Grant Program.

Section 5-65. Energy Workforce Advisory Council.

(a) The Energy Workforce Advisory Council is hereby created within the Department.

(b) The Council shall consist of the following voting members appointed by the Governor with the advice and consent of the Senate, chosen to ensure diverse geographic representation:

(1) two members representing trade associations representing companies active in the clean energy industries;

(2) two members representing a labor union;

(3) one member who has participated in the workforce development programs created under this Act;

(4) two members representing higher education;

(5) two members representing economic development

organizations;

(6) two members representing local workforce innovation boards;

(7) two residents of environmental justice communities;

(8) three members from community-based organizations in environmental justice communities and community-based organizations serving low-income persons and families;

(9) two members who are policy or implementation experts on small business development, contractor incubation, or small business lending and financing needs;

(10) two members who are policy or implementation experts on workforce development for populations and individuals such as low-income persons and families, environmental justice communities, BIPOC communities, formerly convicted persons, persons who are or were in the child welfare system, energy workers, gender nonconforming and transgender individuals, and youth; and

(11) two representatives of clean energy businesses, nonprofit organizations, or other groups that provide clean energy.

The President of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, and the Minority Leader of the House of Representatives shall each appoint 2 nonvoting members of the Council.

(c) The Council shall:

(1) coordinate and inform on worker and contractor support priorities beyond current federal, State, local, and private programs and resources;

(2) advise and produce recommendations for further federal, State, and local programs and activities;

(3) fulfill other duties determined by the Council to further the success of the Workforce Hubs, Incubators, and Returning Residents Programs;

(4) review program performance metrics;

(5) provide recommendations to the Department on the administration of the following programs:

(i) the Clean Jobs Workforce Network Program;

(ii) the Illinois Climate Works Preapprenticeship Program;

(iii) the Clean Energy Contractor Incubator Program;

(iv) the Returning Residents Clean Jobs Training Program; and

(v) the Clean Energy Primes Contractor Accelerator Program;

(6) recommend outreach opportunities to ensure that program contracting, training, and other opportunities are widely publicized;

(7) participate in independent program evaluations; and

(8) assist the Department by providing insight into

how relevant State, local, and federal programs are viewed by residents, businesses, and institutions within their respective communities.

(d) The Council shall conduct its first meeting within 30 days after all members have been appointed. The Council shall meet quarterly after its first meeting. Additional hearings and public meetings are permitted at the discretion of the members. The Council may meet in person or through video or audio conference. Meeting times may be varied to accommodate Council member schedules.

(e) Members shall serve without compensation and shall be reimbursed for reasonable expenses incurred in the performance of their duties from funds appropriated for that purpose.

Section 5-90. Repealer. This Act is repealed 24 years after the effective date of this Act.

Section 5-95. The Illinois Finance Authority Act is amended by changing Sections 801-1, 801-5, 801-10, and 801-40 and adding Article 850 as follows:

(20 ILCS 3501/801-1)

Sec. 801-1. Short Title. Articles 801 through 850 ~~845~~ of this Act may be cited as the Illinois Finance Authority Act. References to "this Act" in Articles 801 through 850 ~~845~~ are references to the Illinois Finance Authority Act.

(Source: P.A. 95-331, eff. 8-21-07.)

(20 ILCS 3501/801-5)

Sec. 801-5. Findings and declaration of policy. The General Assembly hereby finds, determines and declares:

(a) that there are a number of existing State authorities authorized to issue bonds to alleviate the conditions and promote the objectives set forth below; and to provide a stronger, better coordinated development effort, it is determined to be in the interest of promoting the health, safety, morals and general welfare of all the people of the State to consolidate certain of such existing authorities into one finance authority;

(b) that involuntary unemployment affects the health, safety, morals and general welfare of the people of the State of Illinois;

(c) that the economic burdens resulting from involuntary unemployment fall in part upon the State in the form of public assistance and reduced tax revenues, and in the event the unemployed worker and his family migrate elsewhere to find work, may also fall upon the municipalities and other taxing districts within the areas of unemployment in the form of reduced tax revenues, thereby endangering their financial ability to support necessary governmental services for their remaining inhabitants;

(d) that a vigorous growing economy is the basic source of

job opportunities;

(e) that protection against involuntary unemployment, its economic burdens and the spread of economic stagnation can best be provided by promoting, attracting, stimulating and revitalizing industry, manufacturing and commerce in the State;

(f) that the State has a responsibility to help create a favorable climate for new and improved job opportunities for its citizens by encouraging the development of commercial businesses and industrial and manufacturing plants within the State;

(g) that increased availability of funds for construction of new facilities and the expansion and improvement of existing facilities for industrial, commercial and manufacturing facilities will provide for new and continued employment in the construction industry and alleviate the burden of unemployment;

(h) that in the absence of direct governmental subsidies the unaided operations of private enterprise do not provide sufficient resources for residential construction, rehabilitation, rental or purchase, and that support from housing related commercial facilities is one means of stimulating residential construction, rehabilitation, rental and purchase;

(i) that it is in the public interest and the policy of this State to foster and promote by all reasonable means the

provision of adequate capital markets and facilities for borrowing money by units of local government, and for the financing of their respective public improvements and other governmental purposes within the State from proceeds of bonds or notes issued by those governmental units; and to assist local governmental units in fulfilling their needs for those purposes by use of creation of indebtedness;

(j) that it is in the public interest and the policy of this State to the extent possible, to reduce the costs of indebtedness to taxpayers and residents of this State and to encourage continued investor interest in the purchase of bonds or notes of governmental units as sound and preferred securities for investment; and to encourage governmental units to continue their independent undertakings of public improvements and other governmental purposes and the financing thereof, and to assist them in those activities by making funds available at reduced interest costs for orderly financing of those purposes, especially during periods of restricted credit or money supply, and particularly for those governmental units not otherwise able to borrow for those purposes;

(k) that in this State the following conditions exist: (i) an inadequate supply of funds at interest rates sufficiently low to enable persons engaged in agriculture in this State to pursue agricultural operations at present levels; (ii) that such inability to pursue agricultural operations lessens the

supply of agricultural commodities available to fulfill the needs of the citizens of this State; (iii) that such inability to continue operations decreases available employment in the agricultural sector of the State and results in unemployment and its attendant problems; (iv) that such conditions prevent the acquisition of an adequate capital stock of farm equipment and machinery, much of which is manufactured in this State, therefore impairing the productivity of agricultural land and, further, causing unemployment or lack of appropriate increase in employment in such manufacturing; (v) that such conditions are conducive to consolidation of acreage of agricultural land with fewer individuals living and farming on the traditional family farm; (vi) that these conditions result in a loss in population, unemployment and movement of persons from rural to urban areas accompanied by added costs to communities for creation of new public facilities and services; (vii) that there have been recurrent shortages of funds for agricultural purposes from private market sources at reasonable rates of interest; (viii) that these shortages have made the sale and purchase of agricultural land to family farmers a virtual impossibility in many parts of the State; (ix) that the ordinary operations of private enterprise have not in the past corrected these conditions; and (x) that a stable supply of adequate funds for agricultural financing is required to encourage family farmers in an orderly and sustained manner and to reduce the problems described above;

(l) that for the benefit of the people of the State of Illinois, the conduct and increase of their commerce, the protection and enhancement of their welfare, the development of continued prosperity and the improvement of their health and living conditions it is essential that all the people of the State be given the fullest opportunity to learn and to develop their intellectual and mental capacities and skills; that to achieve these ends it is of the utmost importance that private institutions of higher education within the State be provided with appropriate additional means to assist the people of the State in achieving the required levels of learning and development of their intellectual and mental capacities and skills and that cultural institutions within the State be provided with appropriate additional means to expand the services and resources which they offer for the cultural, intellectual, scientific, educational and artistic enrichment of the people of the State;

(m) that in order to foster civic and neighborhood pride, citizens require access to facilities such as educational institutions, recreation, parks and open spaces, entertainment and sports, a reliable transportation network, cultural facilities and theaters and other facilities as authorized by this Act, and that it is in the best interests of the State to lower the costs of all such facilities by providing financing through the State;

(n) that to preserve and protect the health of the

citizens of the State, and lower the costs of health care, that financing for health facilities should be provided through the State; and it is hereby declared to be the policy of the State, in the interest of promoting the health, safety, morals and general welfare of all the people of the State, to address the conditions noted above, to increase job opportunities and to retain existing jobs in the State, by making available through the Illinois Finance Authority, hereinafter created, funds for the development, improvement and creation of industrial, housing, local government, educational, health, public purpose and other projects; to issue its bonds and notes to make funds at reduced rates and on more favorable terms for borrowing by local governmental units through the purchase of the bonds or notes of the governmental units; and to make or acquire loans for the acquisition and development of agricultural facilities; to provide financing for private institutions of higher education, cultural institutions, health facilities and other facilities and projects as authorized by this Act; and to grant broad powers to the Illinois Finance Authority to accomplish and to carry out these policies of the State which are in the public interest of the State and of its taxpayers and residents;

(o) that providing financing alternatives for projects that are located outside the State that are owned, operated, leased, managed by, or otherwise affiliated with, institutions located within the State would promote the economy of the

State for the benefit of the health, welfare, safety, trade, commerce, industry, and economy of the people of the State by creating employment opportunities in the State and lowering the cost of accessing healthcare, private education, or cultural institutions in the State by reducing the cost of financing or operating those projects; ~~and~~

(p) that the realization of the objectives of the Authority identified in this Act including, without limitation, those designed (1) to assist and enable veterans, minorities, women and disabled individuals to own and operate small businesses; (2) to assist in the delivery of agricultural assistance; and (3) to aid, assist, and encourage economic growth and development within this State, will be enhanced by empowering the Authority to purchase loan participations from participating lenders; ~~.~~

(q) that climate change threatens the health, welfare, and prosperity of all the residents of the State;

(r) combating climate change is necessary to preserve and enhance the health, welfare, and prosperity of all the residents of the State;

(s) that the promotion of the development and implementation of clean energy is necessary to combat climate change and is hereby declared to be the policy of the State; and

(t) that designating the Authority as the "Climate Bank" to aid in all respects with providing financial assistance,

programs, and products to finance and otherwise develop and implement equitable clean energy opportunities in the State to mitigate or adapt to the negative consequences of climate change in an equitable manner will further the clean energy policy of the State.

(Source: P.A. 100-919, eff. 8-17-18.)

(20 ILCS 3501/801-10)

Sec. 801-10. Definitions. The following terms, whenever used or referred to in this Act, shall have the following meanings, except in such instances where the context may clearly indicate otherwise:

(a) The term "Authority" means the Illinois Finance Authority created by this Act.

(b) The term "project" means an industrial project, clean energy project, conservation project, housing project, public purpose project, higher education project, health facility project, cultural institution project, municipal bond program project, PACE Project, agricultural facility or agribusiness, and "project" may include any combination of one or more of the foregoing undertaken jointly by any person with one or more other persons.

(c) The term "public purpose project" means (i) any project or facility, including without limitation land, buildings, structures, machinery, equipment and all other real and personal property, which is authorized or required by law

to be acquired, constructed, improved, rehabilitated, reconstructed, replaced or maintained by any unit of government or any other lawful public purpose, including provision of working capital, which is authorized or required by law to be undertaken by any unit of government or (ii) costs incurred and other expenditures, including expenditures for management, investment, or working capital costs, incurred in connection with the reform, consolidation, or implementation of the transition process as described in Articles 22B and 22C of the Illinois Pension Code.

(d) The term "industrial project" means the acquisition, construction, refurbishment, creation, development or redevelopment of any facility, equipment, machinery, real property or personal property for use by any instrumentality of the State or its political subdivisions, for use by any person or institution, public or private, for profit or not for profit, or for use in any trade or business, including, but not limited to, any industrial, manufacturing, clean energy, or commercial enterprise that is located within or outside the State, provided that, with respect to a project involving property located outside the State, the property must be owned, operated, leased or managed by an entity located within the State or an entity affiliated with an entity located within the State, and which is (1) a capital project or clean energy project, including, but not limited to: (i) land and any rights therein, one or more buildings, structures or other

improvements, machinery and equipment, whether now existing or hereafter acquired, and whether or not located on the same site or sites; (ii) all appurtenances and facilities incidental to the foregoing, including, but not limited to, utilities, access roads, railroad sidings, track, docking and similar facilities, parking facilities, dockage, wharfage, railroad roadbed, track, trestle, depot, terminal, switching and signaling or related equipment, site preparation and landscaping; and (iii) all non-capital costs and expenses relating thereto or (2) any addition to, renovation, rehabilitation or improvement of a capital project or a clean energy project, or (3) any activity or undertaking within or outside the State, provided that, with respect to a project involving property located outside the State, the property must be owned, operated, leased or managed by an entity located within the State or an entity affiliated with an entity located within the State, which the Authority determines will aid, assist or encourage economic growth, development or redevelopment within the State or any area thereof, will promote the expansion, retention or diversification of employment opportunities within the State or any area thereof or will aid in stabilizing or developing any industry or economic sector of the State economy. The term "industrial project" also means the production of motion pictures.

(e) The term "bond" or "bonds" shall include bonds, notes

(including bond, grant or revenue anticipation notes), certificates and/or other evidences of indebtedness representing an obligation to pay money, including refunding bonds.

(f) The terms "lease agreement" and "loan agreement" shall mean: (i) an agreement whereby a project acquired by the Authority by purchase, gift or lease is leased to any person, corporation or unit of local government which will use or cause the project to be used as a project as heretofore defined upon terms providing for lease rental payments at least sufficient to pay when due all principal of, interest and premium, if any, on any bonds of the Authority issued with respect to such project, providing for the maintenance, insuring and operation of the project on terms satisfactory to the Authority, providing for disposition of the project upon termination of the lease term, including purchase options or abandonment of the premises, and such other terms as may be deemed desirable by the Authority, or (ii) any agreement pursuant to which the Authority agrees to loan the proceeds of its bonds issued with respect to a project or other funds of the Authority to any person which will use or cause the project to be used as a project as heretofore defined upon terms providing for loan repayment installments at least sufficient to pay when due all principal of, interest and premium, if any, on any bonds of the Authority, if any, issued with respect to the project, and providing for maintenance, insurance and

other matters as may be deemed desirable by the Authority.

(g) The term "financial aid" means the expenditure of Authority funds or funds provided by the Authority through the issuance of its bonds, notes or other evidences of indebtedness or from other sources for the development, construction, acquisition or improvement of a project.

(h) The term "person" means an individual, corporation, unit of government, business trust, estate, trust, partnership or association, 2 or more persons having a joint or common interest, or any other legal entity.

(i) The term "unit of government" means the federal government, the State or unit of local government, a school district, or any agency or instrumentality, office, officer, department, division, bureau, commission, college or university thereof.

(j) The term "health facility" means: (a) any public or private institution, place, building, or agency required to be licensed under the Hospital Licensing Act; (b) any public or private institution, place, building, or agency required to be licensed under the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act of 2013, the ID/DD Community Care Act, or the MC/DD Act; (c) any public or licensed private hospital as defined in the Mental Health and Developmental Disabilities Code; (d) any such facility exempted from such licensure when the Director of Public Health attests that such exempted facility meets the statutory definition of a facility

subject to licensure; (e) any other public or private health service institution, place, building, or agency which the Director of Public Health attests is subject to certification by the Secretary, U.S. Department of Health and Human Services under the Social Security Act, as now or hereafter amended, or which the Director of Public Health attests is subject to standard-setting by a recognized public or voluntary accrediting or standard-setting agency; (f) any public or private institution, place, building or agency engaged in providing one or more supporting services to a health facility; (g) any public or private institution, place, building or agency engaged in providing training in the healing arts, including, but not limited to, schools of medicine, dentistry, osteopathy, optometry, podiatry, pharmacy or nursing, schools for the training of x-ray, laboratory or other health care technicians and schools for the training of para-professionals in the health care field; (h) any public or private congregate, life or extended care or elderly housing facility or any public or private home for the aged or infirm, including, without limitation, any Facility as defined in the Life Care Facilities Act; (i) any public or private mental, emotional or physical rehabilitation facility or any public or private educational, counseling, or rehabilitation facility or home, for those persons with a developmental disability, those who are physically ill or disabled, the emotionally disturbed, those persons with a mental illness or persons with learning

or similar disabilities or problems; (j) any public or private alcohol, drug or substance abuse diagnosis, counseling treatment or rehabilitation facility, (k) any public or private institution, place, building or agency licensed by the Department of Children and Family Services or which is not so licensed but which the Director of Children and Family Services attests provides child care, child welfare or other services of the type provided by facilities subject to such licensure; (l) any public or private adoption agency or facility; and (m) any public or private blood bank or blood center. "Health facility" also means a public or private structure or structures suitable primarily for use as a laboratory, laundry, nurses or interns residence or other housing or hotel facility used in whole or in part for staff, employees or students and their families, patients or relatives of patients admitted for treatment or care in a health facility, or persons conducting business with a health facility, physician's facility, surgicenter, administration building, research facility, maintenance, storage or utility facility and all structures or facilities related to any of the foregoing or required or useful for the operation of a health facility, including parking or other facilities or other supporting service structures required or useful for the orderly conduct of such health facility. "Health facility" also means, with respect to a project located outside the State, any public or private institution, place, building, or

agency which provides services similar to those described above, provided that such project is owned, operated, leased or managed by a participating health institution located within the State, or a participating health institution affiliated with an entity located within the State.

(k) The term "participating health institution" means (i) a private corporation or association or (ii) a public entity of this State, in either case authorized by the laws of this State or the applicable state to provide or operate a health facility as defined in this Act and which, pursuant to the provisions of this Act, undertakes the financing, construction or acquisition of a project or undertakes the refunding or refinancing of obligations, loans, indebtedness or advances as provided in this Act.

(l) The term "health facility project", means a specific health facility work or improvement to be financed or refinanced (including without limitation through reimbursement of prior expenditures), acquired, constructed, enlarged, remodeled, renovated, improved, furnished, or equipped, with funds provided in whole or in part hereunder, any accounts receivable, working capital, liability or insurance cost or operating expense financing or refinancing program of a health facility with or involving funds provided in whole or in part hereunder, or any combination thereof.

(m) The term "bond resolution" means the resolution or resolutions authorizing the issuance of, or providing terms

and conditions related to, bonds issued under this Act and includes, where appropriate, any trust agreement, trust indenture, indenture of mortgage or deed of trust providing terms and conditions for such bonds.

(n) The term "property" means any real, personal or mixed property, whether tangible or intangible, or any interest therein, including, without limitation, any real estate, leasehold interests, appurtenances, buildings, easements, equipment, furnishings, furniture, improvements, machinery, rights of way, structures, accounts, contract rights or any interest therein.

(o) The term "revenues" means, with respect to any project, the rents, fees, charges, interest, principal repayments, collections and other income or profit derived therefrom.

(p) The term "higher education project" means, in the case of a private institution of higher education, an educational facility to be acquired, constructed, enlarged, remodeled, renovated, improved, furnished, or equipped, or any combination thereof.

(q) The term "cultural institution project" means, in the case of a cultural institution, a cultural facility to be acquired, constructed, enlarged, remodeled, renovated, improved, furnished, or equipped, or any combination thereof.

(r) The term "educational facility" means any property located within the State, or any property located outside the

State, provided that, if the property is located outside the State, it must be owned, operated, leased or managed by an entity located within the State or an entity affiliated with an entity located within the State, in each case constructed or acquired before or after the effective date of this Act, which is or will be, in whole or in part, suitable for the instruction, feeding, recreation or housing of students, the conducting of research or other work of a private institution of higher education, the use by a private institution of higher education in connection with any educational, research or related or incidental activities then being or to be conducted by it, or any combination of the foregoing, including, without limitation, any such property suitable for use as or in connection with any one or more of the following: an academic facility, administrative facility, agricultural facility, assembly hall, athletic facility, auditorium, boating facility, campus, communication facility, computer facility, continuing education facility, classroom, dining hall, dormitory, exhibition hall, fire fighting facility, fire prevention facility, food service and preparation facility, gymnasium, greenhouse, health care facility, hospital, housing, instructional facility, laboratory, library, maintenance facility, medical facility, museum, offices, parking area, physical education facility, recreational facility, research facility, stadium, storage facility, student union, study facility, theatre or utility.

(s) The term "cultural facility" means any property located within the State, or any property located outside the State, provided that, if the property is located outside the State, it must be owned, operated, leased or managed by an entity located within the State or an entity affiliated with an entity located within the State, in each case constructed or acquired before or after the effective date of this Act, which is or will be, in whole or in part, suitable for the particular purposes or needs of a cultural institution, including, without limitation, any such property suitable for use as or in connection with any one or more of the following: an administrative facility, aquarium, assembly hall, auditorium, botanical garden, exhibition hall, gallery, greenhouse, library, museum, scientific laboratory, theater or zoological facility, and shall also include, without limitation, books, works of art or music, animal, plant or aquatic life or other items for display, exhibition or performance. The term "cultural facility" includes buildings on the National Register of Historic Places which are owned or operated by nonprofit entities.

(t) "Private institution of higher education" means a not-for-profit educational institution which is not owned by the State or any political subdivision, agency, instrumentality, district or municipality thereof, which is authorized by law to provide a program of education beyond the high school level and which:

(1) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) Provides an educational program for which it awards a bachelor's degree, or provides an educational program, admission into which is conditioned upon the prior attainment of a bachelor's degree or its equivalent, for which it awards a postgraduate degree, or provides not less than a 2-year program which is acceptable for full credit toward such a degree, or offers a 2-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(3) Is accredited by a nationally recognized accrediting agency or association or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than 3 institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited, and holds an unrevoked certificate of approval under the Private College Act from the Board of Higher Education, or is qualified as a "degree granting institution" under the Academic Degree

Act; and

(4) Does not discriminate in the admission of students on the basis of race or color. "Private institution of higher education" also includes any "academic institution".

(u) The term "academic institution" means any not-for-profit institution which is not owned by the State or any political subdivision, agency, instrumentality, district or municipality thereof, which institution engages in, or facilitates academic, scientific, educational or professional research or learning in a field or fields of study taught at a private institution of higher education. Academic institutions include, without limitation, libraries, archives, academic, scientific, educational or professional societies, institutions, associations or foundations having such purposes.

(v) The term "cultural institution" means any not-for-profit institution which is not owned by the State or any political subdivision, agency, instrumentality, district or municipality thereof, which institution engages in the cultural, intellectual, scientific, educational or artistic enrichment of the people of the State. Cultural institutions include, without limitation, aquaria, botanical societies, historical societies, libraries, museums, performing arts associations or societies, scientific societies and zoological societies.

(w) The term "affiliate" means, with respect to financing of an agricultural facility or an agribusiness, any lender, any person, firm or corporation controlled by, or under common control with, such lender, and any person, firm or corporation controlling such lender.

(x) The term "agricultural facility" means land, any building or other improvement thereon or thereto, and any personal properties deemed necessary or suitable for use, whether or not now in existence, in farming, ranching, the production of agricultural commodities (including, without limitation, the products of aquaculture, hydroponics and silviculture) or the treating, processing or storing of such agricultural commodities when such activities are customarily engaged in by farmers as a part of farming and which land, building, improvement or personal property is located within the State, or is located outside the State, provided that, if such property is located outside the State, it must be owned, operated, leased, or managed by an entity located within the State or an entity affiliated with an entity located within the State.

(y) The term "lender" with respect to financing of an agricultural facility or an agribusiness, means any federal or State chartered bank, Federal Land Bank, Production Credit Association, Bank for Cooperatives, federal or State chartered savings and loan association or building and loan association, Small Business Investment Company or any other institution

qualified within this State to originate and service loans, including, but without limitation to, insurance companies, credit unions and mortgage loan companies. "Lender" also means a wholly owned subsidiary of a manufacturer, seller or distributor of goods or services that makes loans to businesses or individuals, commonly known as a "captive finance company".

(z) The term "agribusiness" means any sole proprietorship, limited partnership, co-partnership, joint venture, corporation or cooperative which operates or will operate a facility located within the State or outside the State, provided that, if any facility is located outside the State, it must be owned, operated, leased, or managed by an entity located within the State or an entity affiliated with an entity located within the State, that is related to the processing of agricultural commodities (including, without limitation, the products of aquaculture, hydroponics and silviculture) or the manufacturing, production or construction of agricultural buildings, structures, equipment, implements, and supplies, or any other facilities or processes used in agricultural production. Agribusiness includes but is not limited to the following:

(1) grain handling and processing, including grain storage, drying, treatment, conditioning, mailing and packaging;

(2) seed and feed grain development and processing;

(3) fruit and vegetable processing, including preparation, canning and packaging;

(4) processing of livestock and livestock products, dairy products, poultry and poultry products, fish or apiarian products, including slaughter, shearing, collecting, preparation, canning and packaging;

(5) fertilizer and agricultural chemical manufacturing, processing, application and supplying;

(6) farm machinery, equipment and implement manufacturing and supplying;

(7) manufacturing and supplying of agricultural commodity processing machinery and equipment, including machinery and equipment used in slaughter, treatment, handling, collecting, preparation, canning or packaging of agricultural commodities;

(8) farm building and farm structure manufacturing, construction and supplying;

(9) construction, manufacturing, implementation, supplying or servicing of irrigation, drainage and soil and water conservation devices or equipment;

(10) fuel processing and development facilities that produce fuel from agricultural commodities or byproducts;

(11) facilities and equipment for processing and packaging agricultural commodities specifically for export;

(12) facilities and equipment for forestry product

processing and supplying, including sawmilling operations, wood chip operations, timber harvesting operations, and manufacturing of prefabricated buildings, paper, furniture or other goods from forestry products;

(13) facilities and equipment for research and development of products, processes and equipment for the production, processing, preparation or packaging of agricultural commodities and byproducts.

(aa) The term "asset" with respect to financing of any agricultural facility or any agribusiness, means, but is not limited to the following: cash crops or feed on hand; livestock held for sale; breeding stock; marketable bonds and securities; securities not readily marketable; accounts receivable; notes receivable; cash invested in growing crops; net cash value of life insurance; machinery and equipment; cars and trucks; farm and other real estate including life estates and personal residence; value of beneficial interests in trusts; government payments or grants; and any other assets.

(bb) The term "liability" with respect to financing of any agricultural facility or any agribusiness shall include, but not be limited to the following: accounts payable; notes or other indebtedness owed to any source; taxes; rent; amounts owed on real estate contracts or real estate mortgages; judgments; accrued interest payable; and any other liability.

(cc) The term "Predecessor Authorities" means those

authorities as described in Section 845-75.

(dd) The term "housing project" means a specific work or improvement located within the State or outside the State and undertaken to provide residential dwelling accommodations, including the acquisition, construction or rehabilitation of lands, buildings and community facilities and in connection therewith to provide nonhousing facilities which are part of the housing project, including land, buildings, improvements, equipment and all ancillary facilities for use for offices, stores, retirement homes, hotels, financial institutions, service, health care, education, recreation or research establishments, or any other commercial purpose which are or are to be related to a housing development, provided that any work or improvement located outside the State is owned, operated, leased or managed by an entity located within the State, or any entity affiliated with an entity located within the State.

(ee) The term "conservation project" means any project including the acquisition, construction, rehabilitation, maintenance, operation, or upgrade that is intended to create or expand open space or to reduce energy usage through efficiency measures. For the purpose of this definition, "open space" has the definition set forth under Section 10 of the Illinois Open Land Trust Act.

(ff) The term "significant presence" means the existence within the State of the national or regional headquarters of

an entity or group or such other facility of an entity or group of entities where a significant amount of the business functions are performed for such entity or group of entities.

(gg) The term "municipal bond issuer" means the State or any other state or commonwealth of the United States, or any unit of local government, school district, agency or instrumentality, office, department, division, bureau, commission, college or university thereof located in the State or any other state or commonwealth of the United States.

(hh) The term "municipal bond program project" means a program for the funding of the purchase of bonds, notes or other obligations issued by or on behalf of a municipal bond issuer.

(ii) The term "participating lender" means any trust company, bank, savings bank, credit union, merchant bank, investment bank, broker, investment trust, pension fund, building and loan association, savings and loan association, insurance company, venture capital company, or other institution approved by the Authority which provides a portion of the financing for a project.

(jj) The term "loan participation" means any loan in which the Authority co-operates with a participating lender to provide all or a portion of the financing for a project.

(kk) The term "PACE Project" means an energy project as defined in Section 5 of the Property Assessed Clean Energy Act.

(ll) The term "clean energy" means energy generation that is substantially free (90% or more) of carbon dioxide emissions by design or operations, or that otherwise contributes to the reduction in emissions of environmentally hazardous materials or reduces the volume of environmentally dangerous materials.

(mm) The term "clean energy project" means the acquisition, construction, refurbishment, creation, development or redevelopment of any facility, equipment, machinery, real property, or personal property for use by the State or any unit of local government, school district, agency or instrumentality, office, department, division, bureau, commission, college, or university of the State, for use by any person or institution, public or private, for profit or not for profit, or for use in any trade or business, which the Authority determines will aid, assist, or encourage the development or implementation of clean energy in the State, or as otherwise contemplated by Article 850.

(nn) The term "Climate Bank" means the Authority in the exercise of those powers conferred on it by this Act related to clean energy or clean water, drinking water, or wastewater treatment.

(oo) "equity investment eligible community" and "eligible community" mean the geographic areas throughout Illinois that would most benefit from equitable investments by the State designed to combat discrimination. Specifically, the eligible

communities shall be defined as the following areas:

(1) R3 Areas as established pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, where residents have historically been excluded from economic opportunities, including opportunities in the energy sector; and

(2) Environmental justice communities, as defined by the Illinois Power Agency pursuant to the Illinois Power Agency Act, where residents have historically been subject to disproportionate burdens of pollution, including pollution from the energy sector.

(pp) "Equity investment eligible person" and "eligible person" mean the persons who would most benefit from equitable investments by the State designed to combat discrimination. Specifically, eligible persons means the following people:

(1) persons whose primary residence is in an equity investment eligible community;

(2) persons who are graduates of or currently enrolled in the foster care system; or

(3) persons who were formerly incarcerated.

(qq) "Environmental justice community" means the definition of that term based on existing methodologies and findings used and as may be updated by the Illinois Power Agency and its program administrator in the Illinois Solar for All Program.

(Source: P.A. 100-919, eff. 8-17-18; 101-610, eff. 1-1-20.)

(20 ILCS 3501/801-40)

Sec. 801-40. In addition to the powers otherwise authorized by law and in addition to the foregoing general corporate powers, the Authority shall also have the following additional specific powers to be exercised in furtherance of the purposes of this Act.

(a) The Authority shall have power (i) to accept grants, loans or appropriations from the federal government or the State, or any agency or instrumentality thereof, or, in the case of clean energy projects, any not-for-profit philanthropic or other charitable organization, public or private, to be used for the operating expenses of the Authority, or for any purposes of the Authority, including the making of direct loans of such funds with respect to projects, and (ii) to enter into any agreement with the federal government or the State, or any agency or instrumentality thereof, in relationship to such grants, loans or appropriations.

(b) The Authority shall have power to procure and enter into contracts for any type of insurance and indemnity agreements covering loss or damage to property from any cause, including loss of use and occupancy, or covering any other insurable risk.

(c) The Authority shall have the continuing power to issue bonds for its corporate purposes. Bonds may be issued by the

Authority in one or more series and may provide for the payment of any interest deemed necessary on such bonds, of the costs of issuance of such bonds, of any premium on any insurance, or of the cost of any guarantees, letters of credit or other similar documents, may provide for the funding of the reserves deemed necessary in connection with such bonds, and may provide for the refunding or advance refunding of any bonds or for accounts deemed necessary in connection with any purpose of the Authority. The bonds may bear interest payable at any time or times and at any rate or rates, notwithstanding any other provision of law to the contrary, and such rate or rates may be established by an index or formula which may be implemented or established by persons appointed or retained therefor by the Authority, or may bear no interest or may bear interest payable at maturity or upon redemption prior to maturity, may bear such date or dates, may be payable at such time or times and at such place or places, may mature at any time or times not later than 40 years from the date of issuance, may be sold at public or private sale at such time or times and at such price or prices, may be secured by such pledges, reserves, guarantees, letters of credit, insurance contracts or other similar credit support or liquidity instruments, may be executed in such manner, may be subject to redemption prior to maturity, may provide for the registration of the bonds, and may be subject to such other terms and conditions all as may be provided by the resolution or indenture authorizing the

issuance of such bonds. The holder or holders of any bonds issued by the Authority may bring suits at law or proceedings in equity to compel the performance and observance by any person or by the Authority or any of its agents or employees of any contract or covenant made with the holders of such bonds and to compel such person or the Authority and any of its agents or employees to perform any duties required to be performed for the benefit of the holders of any such bonds by the provision of the resolution authorizing their issuance, and to enjoin such person or the Authority and any of its agents or employees from taking any action in conflict with any such contract or covenant. Notwithstanding the form and tenor of any such bonds and in the absence of any express recital on the face thereof that it is non-negotiable, all such bonds shall be negotiable instruments. Pending the preparation and execution of any such bonds, temporary bonds may be issued as provided by the resolution. The bonds shall be sold by the Authority in such manner as it shall determine. The bonds may be secured as provided in the authorizing resolution by the receipts, revenues, income and other available funds of the Authority and by any amounts derived by the Authority from the loan agreement or lease agreement with respect to the project or projects; and bonds may be issued as general obligations of the Authority payable from such revenues, funds and obligations of the Authority as the bond resolution shall provide, or may be issued as limited obligations with a claim

for payment solely from such revenues, funds and obligations as the bond resolution shall provide. The Authority may grant a specific pledge or assignment of and lien on or security interest in such rights, revenues, income, or amounts and may grant a specific pledge or assignment of and lien on or security interest in any reserves, funds or accounts established in the resolution authorizing the issuance of bonds. Any such pledge, assignment, lien or security interest for the benefit of the holders of the Authority's bonds shall be valid and binding from the time the bonds are issued without any physical delivery or further act, and shall be valid and binding as against and prior to the claims of all other parties having claims against the Authority or any other person irrespective of whether the other parties have notice of the pledge, assignment, lien or security interest. As evidence of such pledge, assignment, lien and security interest, the Authority may execute and deliver a mortgage, trust agreement, indenture or security agreement or an assignment thereof. A remedy for any breach or default of the terms of any such agreement by the Authority may be by mandamus proceedings in any court of competent jurisdiction to compel the performance and compliance therewith, but the agreement may prescribe by whom or on whose behalf such action may be instituted. It is expressly understood that the Authority may, but need not, acquire title to any project with respect to which it exercises its authority.

(d) With respect to the powers granted by this Act, the Authority may adopt rules and regulations prescribing the procedures by which persons may apply for assistance under this Act. Nothing herein shall be deemed to preclude the Authority, prior to the filing of any formal application, from conducting preliminary discussions and investigations with respect to the subject matter of any prospective application.

(e) The Authority shall have power to acquire by purchase, lease, gift or otherwise any property or rights therein from any person useful for its purposes, whether improved for the purposes of any prospective project, or unimproved. The Authority may also accept any donation of funds for its purposes from any such source. The Authority shall have no independent power of condemnation but may acquire any property or rights therein obtained upon condemnation by any other authority, governmental entity or unit of local government with such power.

(f) The Authority shall have power to develop, construct and improve either under its own direction, or through collaboration with any approved applicant, or to acquire through purchase or otherwise, any project, using for such purpose the proceeds derived from the sale of its bonds or from governmental loans or grants, and to hold title in the name of the Authority to such projects.

(g) The Authority shall have power to lease pursuant to a lease agreement any project so developed and constructed or

acquired to the approved tenant on such terms and conditions as may be appropriate to further the purposes of this Act and to maintain the credit of the Authority. Any such lease may provide for either the Authority or the approved tenant to assume initially, in whole or in part, the costs of maintenance, repair and improvements during the leasehold period. In no case, however, shall the total rentals from any project during any initial leasehold period or the total loan repayments to be made pursuant to any loan agreement, be less than an amount necessary to return over such lease or loan period (1) all costs incurred in connection with the development, construction, acquisition or improvement of the project and for repair, maintenance and improvements thereto during the period of the lease or loan; provided, however, that the rentals or loan repayments need not include costs met through the use of funds other than those obtained by the Authority through the issuance of its bonds or governmental loans; (2) a reasonable percentage additive to be agreed upon by the Authority and the borrower or tenant to cover a properly allocable portion of the Authority's general expenses, including, but not limited to, administrative expenses, salaries and general insurance, and (3) an amount sufficient to pay when due all principal of, interest and premium, if any on, any bonds issued by the Authority with respect to the project. The portion of total rentals payable under clause (3) of this subsection (g) shall be deposited in such special

accounts, including all sinking funds, acquisition or construction funds, debt service and other funds as provided by any resolution, mortgage or trust agreement of the Authority pursuant to which any bond is issued.

(h) The Authority has the power, upon the termination of any leasehold period of any project, to sell or lease for a further term or terms such project on such terms and conditions as the Authority shall deem reasonable and consistent with the purposes of the Act. The net proceeds from all such sales and the revenues or income from such leases shall be used to satisfy any indebtedness of the Authority with respect to such project and any balance may be used to pay any expenses of the Authority or be used for the further development, construction, acquisition or improvement of projects. In the event any project is vacated by a tenant prior to the termination of the initial leasehold period, the Authority shall sell or lease the facilities of the project on the most advantageous terms available. The net proceeds of any such disposition shall be treated in the same manner as the proceeds from sales or the revenues or income from leases subsequent to the termination of any initial leasehold period.

(i) The Authority shall have the power to make loans, or to purchase loan participations in loans made, to persons to finance a project, to enter into loan agreements or agreements with participating lenders with respect thereto, and to accept guarantees from persons of its loans or the resultant

evidences of obligations of the Authority.

(j) The Authority may fix, determine, charge and collect any premiums, fees, charges, costs and expenses, including, without limitation, any application fees, commitment fees, program fees, financing charges or publication fees from any person in connection with its activities under this Act.

(k) In addition to the funds established as provided herein, the Authority shall have the power to create and establish such reserve funds and accounts as may be necessary or desirable to accomplish its purposes under this Act and to deposit its available monies into the funds and accounts.

(l) At the request of the governing body of any unit of local government, the Authority is authorized to market such local government's revenue bond offerings by preparing bond issues for sale, advertising for sealed bids, receiving bids at its offices, making the award to the bidder that offers the most favorable terms or arranging for negotiated placements or underwritings of such securities. The Authority may, at its discretion, offer for concurrent sale the revenue bonds of several local governments. Sales by the Authority of revenue bonds under this Section shall in no way imply State guarantee of such debt issue. The Authority may require such financial information from participating local governments as it deems necessary in order to carry out the purposes of this subsection (1).

(m) The Authority may make grants to any county to which

Division 5-37 of the Counties Code is applicable to assist in the financing of capital development, construction and renovation of new or existing facilities for hospitals and health care facilities under that Act. Such grants may only be made from funds appropriated for such purposes from the Build Illinois Bond Fund.

(n) The Authority may establish an urban development action grant program for the purpose of assisting municipalities in Illinois which are experiencing severe economic distress to help stimulate economic development activities needed to aid in economic recovery. The Authority shall determine the types of activities and projects for which the urban development action grants may be used, provided that such projects and activities are broadly defined to include all reasonable projects and activities the primary objectives of which are the development of viable urban communities, including decent housing and a suitable living environment, and expansion of economic opportunity, principally for persons of low and moderate incomes. The Authority shall enter into grant agreements from monies appropriated for such purposes from the Build Illinois Bond Fund. The Authority shall monitor the use of the grants, and shall provide for audits of the funds as well as recovery by the Authority of any funds determined to have been spent in violation of this subsection (n) or any rule or regulation promulgated hereunder. The Authority shall provide technical assistance with regard to

the effective use of the urban development action grants. The Authority shall file an annual report to the General Assembly concerning the progress of the grant program.

(o) The Authority may establish a Housing Partnership Program whereby the Authority provides zero-interest loans to municipalities for the purpose of assisting in the financing of projects for the rehabilitation of affordable multi-family housing for low and moderate income residents. The Authority may provide such loans only upon a municipality's providing evidence that it has obtained private funding for the rehabilitation project. The Authority shall provide 3 State dollars for every 7 dollars obtained by the municipality from sources other than the State of Illinois. The loans shall be made from monies appropriated for such purpose from the Build Illinois Bond Fund. The total amount of loans available under the Housing Partnership Program shall not exceed $30,000,000. State loan monies under this subsection shall be used only for the acquisition and rehabilitation of existing buildings containing 4 or more dwelling units. The terms of any loan made by the municipality under this subsection shall require repayment of the loan to the municipality upon any sale or other transfer of the project. In addition, the Authority may use any moneys appropriated for such purpose from the Build Illinois Bond Fund, including funds loaned under this subsection and repaid as principal or interest, and investment income on such funds, to make the loans authorized by

subsection (z), without regard to any restrictions or limitations provided in this subsection.

(p) The Authority may award grants to universities and research institutions, research consortiums and other not-for-profit entities for the purposes of: remodeling or otherwise physically altering existing laboratory or research facilities, expansion or physical additions to existing laboratory or research facilities, construction of new laboratory or research facilities or acquisition of modern equipment to support laboratory or research operations provided that such grants (i) be used solely in support of project and equipment acquisitions which enhance technology transfer, and (ii) not constitute more than 60 percent of the total project or acquisition cost.

(q) Grants may be awarded by the Authority to units of local government for the purpose of developing the appropriate infrastructure or defraying other costs to the local government in support of laboratory or research facilities provided that such grants may not exceed 40% of the cost to the unit of local government.

(r) In addition to the powers granted to the Authority under subsection (i), and in all cases supplemental to it, the Authority may establish a direct loan program to make loans to, or may purchase participations in loans made by participating lenders to, individuals, partnerships, corporations, or other business entities for the purpose of

financing an industrial project, as defined in Section 801-10 of this Act. For the purposes of such program and not by way of limitation on any other program of the Authority, including, without limitation, programs established under subsection (i), the Authority shall have the power to issue bonds, notes, or other evidences of indebtedness including commercial paper for purposes of providing a fund of capital from which it may make such loans. The Authority shall have the power to use any appropriations from the State made especially for the Authority's direct loan program, or moneys at any time held by the Authority under this Act outside the State treasury in the custody of either the Treasurer of the Authority or a trustee or depository appointed by the Authority, for additional capital to make such loans or purchase such loan participations, or for the purposes of reserve funds or pledged funds which secure the Authority's obligations of repayment of any bond, note or other form of indebtedness established for the purpose of providing capital for which it intends to make such loans or purchase such loan participations. For the purpose of obtaining such capital, the Authority may also enter into agreements with financial institutions, participating lenders, and other persons for the purpose of administering a loan participation program, selling loans or developing a secondary market for such loans or loan participations. Loans made under the direct loan program specifically established under this subsection (r), including

loans under such program made by participating lenders in which the Authority purchases a participation, may be in an amount not to exceed $600,000 and shall be made for a portion of an industrial project which does not exceed 50% of the total project. No loan may be made by the Authority unless approved by the affirmative vote of at least 8 members of the board. The Authority shall establish procedures and publish rules which shall provide for the submission, review, and analysis of each direct loan and loan participation application and which shall preserve the ability of each board member and the Executive Director, as applicable, to reach an individual business judgment regarding the propriety of each direct loan or loan participation. The collective discretion of the board to approve or disapprove each loan shall be unencumbered. The Authority may establish and collect such fees and charges, determine and enforce such terms and conditions, and charge such interest rates as it determines to be necessary and appropriate to the successful administration of the direct loan program, including purchasing loan participations. The Authority may require such interests in collateral and such guarantees as it determines are necessary to protect the Authority's interest in the repayment of the principal and interest of each loan and loan participation made under the direct loan program. The restrictions established under this subsection (r) shall not be applicable to any loan or loan participation made under subsection (i) or to any loan or loan

participation made under any other Section of this Act.

(s) The Authority may guarantee private loans to third parties up to a specified dollar amount in order to promote economic development in this State.

(t) The Authority may adopt rules and regulations as may be necessary or advisable to implement the powers conferred by this Act.

(u) The Authority shall have the power to issue bonds, notes or other evidences of indebtedness, which may be used to make loans to units of local government which are authorized to enter into loan agreements and other documents and to issue bonds, notes and other evidences of indebtedness for the purpose of financing the protection of storm sewer outfalls, the construction of adequate storm sewer outfalls, and the provision for flood protection of sanitary sewage treatment plans, in counties that have established a stormwater management planning committee in accordance with Section 5-1062 of the Counties Code. Any such loan shall be made by the Authority pursuant to the provisions of Section 820-5 to 820-60 of this Act. The unit of local government shall pay back to the Authority the principal amount of the loan, plus annual interest as determined by the Authority. The Authority shall have the power, subject to appropriations by the General Assembly, to subsidize or buy down a portion of the interest on such loans, up to 4% per annum.

(v) The Authority may accept security interests as

provided in Sections 11-3 and 11-3.3 of the Illinois Public Aid Code.

(w) Moral Obligation. In the event that the Authority determines that monies of the Authority will not be sufficient for the payment of the principal of and interest on its bonds during the next State fiscal year, the Chairperson, as soon as practicable, shall certify to the Governor the amount required by the Authority to enable it to pay such principal of and interest on the bonds. The Governor shall submit the amount so certified to the General Assembly as soon as practicable, but no later than the end of the current State fiscal year. This subsection shall apply only to any bonds or notes as to which the Authority shall have determined, in the resolution authorizing the issuance of the bonds or notes, that this subsection shall apply. Whenever the Authority makes such a determination, that fact shall be plainly stated on the face of the bonds or notes and that fact shall also be reported to the Governor. In the event of a withdrawal of moneys from a reserve fund established with respect to any issue or issues of bonds of the Authority to pay principal or interest on those bonds, the Chairperson of the Authority, as soon as practicable, shall certify to the Governor the amount required to restore the reserve fund to the level required in the resolution or indenture securing those bonds. The Governor shall submit the amount so certified to the General Assembly as soon as practicable, but no later than the end of the

current State fiscal year. The Authority shall obtain written approval from the Governor for any bonds and notes to be issued under this Section. In addition to any other bonds authorized to be issued under Sections 825-60, 825-65(e), 830-25 and 845-5, the principal amount of Authority bonds outstanding issued under this Section 801-40(w) or under 20 ILCS 3850/1-80 or 30 ILCS 360/2-6(c), which have been assumed by the Authority, shall not exceed $150,000,000. This subsection (w) shall in no way be applied to any bonds issued by the Authority on behalf of the Illinois Power Agency under Section 825-90 of this Act.

(x) The Authority may enter into agreements or contracts with any person necessary or appropriate to place the payment obligations of the Authority under any of its bonds in whole or in part on any interest rate basis, cash flow basis, or other basis desired by the Authority, including without limitation agreements or contracts commonly known as "interest rate swap agreements", "forward payment conversion agreements", and "futures", or agreements or contracts to exchange cash flows or a series of payments, or agreements or contracts, including without limitation agreements or contracts commonly known as "options", "puts", or "calls", to hedge payment, rate spread, or similar exposure; provided that any such agreement or contract shall not constitute an obligation for borrowed money and shall not be taken into account under Section 845-5 of this Act or any other debt limit of the Authority or the State of

Illinois.

(y) The Authority shall publish summaries of projects and actions approved by the members of the Authority on its website. These summaries shall include, but not be limited to, information regarding the:

(1) project;

(2) Board's action or actions;

(3) purpose of the project;

(4) Authority's program and contribution;

(5) volume cap;

(6) jobs retained;

(7) projected new jobs;

(8) construction jobs created;

(9) estimated sources and uses of funds;

(10) financing summary;

(11) project summary;

(12) business summary;

(13) ownership or economic disclosure statement;

(14) professional and financial information;

(15) service area; and

(16) legislative district.

The disclosure of information pursuant to this subsection shall comply with the Freedom of Information Act.

(z) Consistent with the findings and declaration of policy set forth in item (j) of Section 801-5 of this Act, the Authority shall have the power to make loans to the Police

Officers' Pension Investment Fund authorized by Section 22B-120 of the Illinois Pension Code and to make loans to the Firefighters' Pension Investment Fund authorized by Section 22C-120 of the Illinois Pension Code. Notwithstanding anything in this Act to the contrary, loans authorized by Section 22B-120 and Section 22C-120 of the Illinois Pension Code may be made from any of the Authority's funds, including, but not limited to, funds in its Illinois Housing Partnership Program Fund, its Industrial Project Insurance Fund, or its Illinois Venture Investment Fund.

(Source: P.A. 100-919, eff. 8-17-18; 101-610, eff. 1-1-20.)

(20 ILCS 3501/Art. 850 heading new)

ARTICLE 850

GENERAL PROVISIONS

(20 ILCS 3501/850-5 new)

Sec. 850-5. Climate Bank. The General Assembly designates the Authority as the Climate Bank to aid in all respects with providing financial assistance, programs, and products to finance and otherwise develop and facilitate opportunities to develop clean energy and provide clean water, drinking water, and wastewater treatment in the State. Nothing in this Section shall be deemed to supersede powers and regulatory duties conferred to other State agencies or governmental units.

(20 ILCS 3501/850-10 new)

Sec. 850-10. Powers and duties.

(a) The Authority shall have the powers enumerated in this Act to assist in the development and implementation of clean energy in the State. The powers enumerated in this Article shall be in addition to all other powers of the Authority conferred in this Act, including those related to clean energy and the provision of clean water, drinking water, and wastewater treatment. The powers of the Authority to issue bonds, notes, and other obligations to finance loans administered by the Illinois Environmental Protection Agency under the Public Water Supply Loan Program or the Water Pollution Control Loan Program or other similar programs shall not be limited or otherwise affected by this amendatory Act of the 102nd General Assembly.

(b) In its role as the Climate Bank of the State, the Authority shall have the power to: (i) administer programs and funds appropriated by the General Assembly for clean energy projects in eligible communities and environmental justice communities or owned by eligible persons, (ii) support investment in the clean energy and clean water, drinking water, and wastewater treatment, (iii) support and otherwise promote investment in clean energy projects to foster the growth, development, and commercialization of clean energy projects and related enterprises, and (iv) stimulate demand for clean energy and the development of clean energy projects.

(c) In addition to, and not in limitation of, any other power of the Authority set forth in this Section or any other provisions of the general statutes, the Authority shall have and may exercise the following powers in furtherance of or in carrying out its clean energy powers and purposes:

(1) To enter into joint ventures and invest in and participate with any person, including, without limitation, government entities and private corporations, engaged primarily in the development of clean energy projects, provided that members of the Authority or officers may serve as directors, members, or officers of any such business entity, and such service shall be deemed to be in the discharge of the duties or within the scope of the employment of any such member or officer, or Authority or officers, as the case may be, so long as such member or officer does not receive any compensation or direct or indirect financial benefit as a result of serving in such role.

(2) To utilize funding sources, including, but not limited to:

(A) funds repurposed from existing programs providing financing support for clean energy projects, provided any transfer of funds from such existing programs shall be subject to approval by the General Assembly and shall be used for expenses of financing, grants, and loans;

(B) any federal funds that can be used for clean energy purposes;

(C) charitable gifts, grants, and contributions as well as loans from individuals, corporations, university endowment funds, and philanthropic foundations for clean energy projects or for the provision of clean water, drinking water, and wastewater treatment; and

(D) earnings and interest derived from financing support activities for clean energy projects financed by the Authority.

(3) To enter into contracts with private sources to raise capital.

(d) The Authority may finance working capital, refinance outstanding indebtedness of any person, and otherwise assist in the investment of equity from any source, public or private, in connection with clean energy projects or any other projects authorized by this Act.

(e) The Authority may assess reasonable fees on its financing activities to cover its reasonable costs and expenses, as determined by the Authority.

(f) The Authority shall make information regarding the rates, terms and conditions for all of its financing support transactions available to the public for inspection, including formal annual reviews by both a private auditor and the Comptroller, and providing details to the public on the

Internet, provided public disclosure shall be restricted for patentable ideas, trade secrets, and proprietary or confidential commercial or financial information, disclosure of which may cause commercial harm to a nongovernmental recipient of such financing support and for other information exempt from public records disclosure pursuant to Section 1-210.

(20 ILCS 3501/850-15 new)

Sec. 850-15. Purposes; Climate Bank. In its role as the Climate Bank for the State, the Authority shall consider the following purposes:

(1) the distribution of the benefits of clean energy in an equitable manner, including by evaluating benefits to eligible communities and equity investment eligible persons;

(2) making clean energy accessible to all, especially eligible persons, through financing opportunities and grants for minority-owned businesses, as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, and for low-income communities, eligible communities, environmental justice communities, and the businesses that serve these communities; and

(3) accelerating the investment of private capital into clean energy projects in a manner reflective of the geographic, racial, ethnic, gender, and income-level

diversity of the State.

Article 10. Energy Community Reinvestment Act

Section 10-1. Short title. This Article may be cited as the Energy Community Reinvestment Act. References in this Article to "this Act" mean this Article.

Section 10-5. Findings. The General Assembly finds that, as part of putting Illinois on a path to 100% renewable energy, the State of Illinois should ensure a just transition to that goal, providing support for the transition of Illinois' communities and workers impacted by closures or reduced use of fossil fuel power plants, nuclear power plants, or coal mines by allocating new economic development resources for business tax incentives, workforce training, site clean-up and reuse, and local tax revenue replacement.

The General Assembly finds and declares that the health, safety, and welfare of the people of this State are dependent upon a healthy economy and vibrant communities; that the closure of fossil fuel power plants, nuclear power plants, and coal mines across this State have a significant impact on their surrounding communities; that the expansion of renewable energy creates job growth and contributes to the health, safety, and welfare of the people of this State; that the continual encouragement, development, growth, and expansion of

renewable energy within this State requires a cooperative and continuous partnership between government and the renewable energy sector; and that there are certain areas in this State that have lost, or will lose, jobs due to the closure of fossil fuel power plants, nuclear power plants, and coal mines and need the particular attention of government, labor, and the residents of Illinois to help attract new investment into these areas and directly aid the local community and its residents.

Therefore, it is declared to be the purpose of this Act to explore ways of stimulating the growth of new private investment, including renewable energy investment, in this State and to foster job growth in areas impacted by the closure of coal energy plants, coal mines, and nuclear energy plants.

Section 10-10. Definitions. As used in this Act, unless the context otherwise requires:

"Agencies" or "State agencies" has the same meaning as "State agencies" under Section 1-7 of the Illinois State Auditing Act.

"Commission" means the Energy Transition Workforce Commission created in Section 10-15.

"Department" means the Department of Commerce and Economic Opportunity.

"Displaced energy worker" means an energy worker who has lost employment, or is anticipated by the Department to lose

employment within the next 5 years, due to the reduced operation or closure of a fossil fuel power plant, nuclear power plant, or coal mine.

"Energy worker" means a person who has been employed full-time for a period of one year or longer, and within the previous 5 years, at a fossil fuel power plant, a nuclear power plant, or a coal mine located within the State of Illinois, whether or not they are employed by the owner of the power plant or mine. Energy workers are considered to be full-time if they work at least 35 hours per week for 45 weeks a year or the 1,820 work-hour equivalent with vacations, paid holidays, and sick time, but not overtime, included in this computation. Classification of an individual as an energy worker continues for 5 years from the latest date of employment or the effective date of this Act, whichever is later.

"Environmental justice communities" shall have the meaning set forth in Section 1-56 of the Illinois Power Agency Act and the most recent Commission-approved long-term renewable resources procurement plan of the Illinois Power Agency.

"Fossil fuel power plant" means an electric generating facility powered by gas, coal, other fossil fuels, or a combination thereof.

"Local labor market area" means an economically integrated area within which individuals reside and find employment within a reasonable distance of their places of residence or can readily change jobs without changing their places of

residence.

"Low-income" means persons and families whose income does not exceed 80% of area median income, adjusted for family size and revised every 2 years.

"Renewable energy enterprise" means a company that is engaged in the production, manufacturing, distribution, or development of renewable energy resources and associated technologies.

"Renewable energy project" means a project conducted by a renewable energy enterprise for the purpose of generating renewable energy resources or energy storage.

"Renewable energy resources" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"Rule" has the meaning set forth in Section 1-70 of the Illinois Administrative Procedure Act.

Section 10-15. Energy Transition Workforce Commission.

(a) The Energy Transition Workforce Commission is hereby created within the Department of Commerce and Economic Opportunity.

(b) The Commission shall consist of the following members:

(1) the Director of Commerce and Economic Opportunity;

(2) the Director of Labor, or his or her designee, who shall serve as chairperson;

(3) 5 members appointed by the Governor, with the advice and consent of the Senate, of which at least one

shall be a representative of a local labor organization, at least one shall be a resident of an environmental justice community, at least one shall be a representative of a national labor organization, and at least one shall be a representative of the administrator of workforce training programs created by this Act. Designees shall be appointed within 60 days after a vacancy; and

(4) the 3 Regional Administrators selected under Section 5-15 of the Energy Transition Act.

(c) Members of the Commission shall serve without compensation, but may be reimbursed for necessary expenses incurred in the performance of their duties from funds appropriated for that purpose. The Department of Commerce and Economic Opportunity shall provide administrative support to the Commission.

(d) Within 240 days after the effective date of this Act, the Commission shall produce an Energy Transition Workforce Report regarding the anticipated impact of the energy transition and a comprehensive set of recommendations to address changes to the Illinois workforce during the period of 2020 through 2050, or a later year. The report shall contain the following elements, designed to be used for the programs created in this Act:

(1) Information related to the impact on current workers, including:

(A) a comprehensive accounting of all employees

who currently work in fossil fuel energy generation, nuclear energy generation, and coal mining in the State; upon receipt of the employee's written authorization for the employer's release of such information to the Commission, this shall include information on their location, employer, salary ranges, full-time or part-time status, nature of their work, educational attainment, union status, and other factors the Commission finds relevant;

(B) the anticipated schedule of closures of fossil fuel power plants, nuclear power plants, and coal mines across the State; when information is unavailable to provide exact data, the report shall include approximations based upon the best available information;

(C) an estimate of worker impacts due to scheduled closures, including layoffs, early retirements, salary changes, and other factors the Commission finds relevant; and

(D) the likely outcome for workers who are employed by facilities that are anticipated to close or have significant layoffs during their tenure or lifetime.

(2) Information regarding impact on communities and local governments, including:

(A) changes in the revenue for units of local

government in areas that currently or recently have had a closure or reduction in operation of a fossil fuel power plant, nuclear power plant, coal mine, or related industry;

(B) environmental impacts in areas that currently or recently have had fossil fuel power plants, coal mines, nuclear power plants, or related industry; and

(C) economic impacts of the energy transition, including, but not limited to, the supply chain impacts of the energy transition shift toward new energy sources across the State.

(3) Information on emerging industries and State economic development opportunities in regions that have historically been the site of fossil fuel power plants, nuclear power plants, or coal mining.

(e) The Department shall periodically review its findings in the developed reports and make modifications to the report and programs based on new findings. The Department shall conduct a comprehensive reevaluation of the report, and publish a modified version, on each of the following years following initial publication: 2023; 2027; 2030; 2035; 2040; and any year thereafter which the Department determines is necessary or prudent.

Section 10-20. Energy Transition Community Grants.

(a) Subject to appropriation, the Department shall

establish an Energy Transition Community Grant Program to award grants to promote economic development in eligible communities.

(b) Funds shall be made available from the Energy Transition Assistance Fund to the Department to provide these grants.

(c) Communities eligible to receive these grants must meet one or more of the following:

(1) the area contains a fossil fuel or nuclear power plant that was retired from service or has significantly reduced service within 6 years before the application for designation or will be retired or have service significantly reduced within 6 years following the application for designation;

(2) the area contains a coal mine that was closed or had operations significantly reduced within 6 years before the application for designation or is anticipated to be closed or have operations significantly reduced within 6 years following the application for designation; or

(3) the area contains a nuclear power plant that was decommissioned, but continued storing nuclear waste before the effective date of this Act.

(d) Local units of governments in eligible areas may join with any other local unit of government, economic development organization, local educational institutions, community-based groups, or with any number or combination thereof to apply for

the Energy Transition Community Grant.

(e) To receive grant funds, an eligible community must submit an application to the Department, using a form developed by the Department.

(f) For grants awarded to counties or other entities that are not the city that hosts or has hosted the investor-owned electric generating plant, a resolution of support for the project from the city or cities that hosts or has hosted the investor-owned electric generating plant is required to be submitted with the application.

(g) Grants must be used to plan for or address the economic and social impact on the community or region of plant retirement or transition.

(h) Project applications shall include community input and consultation with a diverse set of stakeholders, including, but not limited to: Regional Planning Councils, where applicable; economic development organizations; low-income or environmental justice communities; educational institutions; elected and appointed officials; organizations representing workers; and other relevant organizations.

(i) Grant costs are authorized to procure third-party vendors for grant writing and implementation costs, including for guidance and opportunities to apply for additional federal, State, local, and private funding resources. If the application is approved for pre-award, one-time reimbursable costs to apply for the Energy Transition Community Grant are

authorized up to 3% of the award.

Section 10-25. Displaced Energy Workers Bill of Rights.

(a) The Department, in collaboration with the Department of Employment Security, shall have the authority to implement the Displaced Energy Workers Bill of Rights, and shall be responsible for the implementation of the Displaced Energy Workers Bill of Rights programs and rights created under this Section. The Department shall provide the following benefits to displaced energy workers listed in paragraphs (1) through (4) of this subsection:

(1) Advance notice of power plant or coal mine closure.

(A) The Department shall notify all energy workers of the upcoming closure of any qualifying facility as far in advance of the scheduled closing date as it can. The Department shall engage the employer and energy workers no later than within 30 days of a closure or deactivation notice being filed by the plant owner to the Regional Transmission Organization of jurisdiction, within 30 days of the announced closure of a coal mine, within 30 days of a WARN notice being filed with the Department, or within 30 days of an announcement or requirement of cessation of operations of a plant or mine from another authoritative source, whichever is first.

(B) In providing the advance notice described in this paragraph (1), the Department shall take reasonable steps to ensure that all displaced energy workers are educated on the various programs available through the Department to assist with the energy transition.

(2) Education on programs. The Department shall take reasonable steps to ensure that all displaced energy workers are educated on the various programs available through the Department to assist with the energy transition, including, but not limited to, the Illinois Dislocated Worker and Rapid Response programs. The Department will develop an outreach strategy, workforce toolkit and quick action plan to deploy when closures are announced. This strategy will include identifying any additional resources that may be needed to aid worker transitions that would require contracting services.

(3) The Department shall provide information and consultation to displaced energy workers on various employment and educational opportunities available to them, supportive services, and advise workers on which opportunities meet their skills, needs, and preferences.

(A) Available services will include reemployment services, training services, work-based learning services, and financial and retirement planning support.

(B) The Department will provide skills matching as part of career counseling services to enable assessment of the displaced energy worker's skills and map those skills to emerging occupations in the region or nationally, or both, depending on the displaced worker's preferences.

(C) For energy workers who may be interested in entrepreneurial pursuits, the Department will connect these individuals with their area Small Business Development Center, procurement technical assistance centers, and economic development organization to engage in services, including, but not limited to, business consulting, business planning, regulatory compliance, marketing, training, accessing capital, and government bid certification assistance.

(4) Financial planning services. Displaced energy workers shall be entitled to services as described in the energy worker programs in this subsection, including financial planning services.

(b) Plant owners and the owners of coal mines located in Illinois shall be required to comply with the requirements set out in this subsection (b). The owners shall be required to take the following actions:

(1) Provide written notice of deactivation or closure filing with the Regional Transmission Organization of jurisdiction to the Department within 48 hours, if

applicable.

(2) Provide employment information for energy workers; 90 days prior to the closure of an electric generating unit or mine, the owners of the power plant or mine shall provide energy workers information on whether there are employment opportunities provided by their employer.

(3) Annually report to the Department on announced closures of qualifying facilities. The report must include information on expected closure date, number of employees, planning processes, services offered for employees (such as training opportunities) leading up to the closure, efforts made to retain employees through other employment opportunities within the company, and any other information that the Department requires in order to implement this Section.

(4) Ninety days prior to closure date, provide a final closure report to the Department that includes expected closure date, number of employees and salaries, transition support the company is providing to employee and timelines, including assistance for training opportunities, transportation support or child care resources to attend training, career counseling, resume support, and others. The closure report will be made available to the chief elected official of each municipal and county government within which the employment loss, relocation, or mass layoff occurs. It shall not be made

publicly available.

(5) Ninety days prior to closure date, provide job descriptions for each employee at the plant or mine to the Department and the entity providing career and training counseling.

(6) Ninety days prior to closure date, make available to the Department and the entity providing career and training counseling any industry-related certifications and on-the-job training the employee earned to allow union training programs, community colleges, or other certification programs to award credit for life experiences in order to reduce the amount of time to complete training, certificates, or degrees for the dislocated employee.

(7) Maintain responsible retirement account portfolios.

Section 10-30. Displaced Energy Worker Dependent Transition Scholarship.

(a) Subject to appropriation, the benefits of this Section shall be administered by and paid for out of funds made available to the Illinois Student Assistance Commission.

(b) Any natural child, legally adopted child, or stepchild of an eligible displaced energy worker who possesses all necessary entrance requirements shall, upon application and proper proof, be awarded a transition scholarship consisting

of the equivalent of one calendar year of full-time enrollment, including summer terms, to the State-supported Illinois institution of higher learning of his or her choice.

(c) As used in this Section, "eligible displaced energy worker" means an energy worker who has lost employment due to the reduced operation or closure of a fossil fuel power plant or coal mine.

(d) Full-time enrollment means 12 or more semester hours of courses per semester, or 12 or more quarter hours of courses per quarter, or the equivalent thereof per term. Scholarships utilized by dependents enrolled in less than full-time study shall be computed in the proportion which the number of hours so carried bears to full-time enrollment.

(e) Scholarships awarded under this Section may be used by a child without regard to his or her age. The holder of a Scholarship awarded under this Section shall be subject to all examinations and academic standards, including the maintenance of minimum grade levels, that are applicable generally to other enrolled students at the Illinois institution of higher learning where the scholarship is being used.

(f) An applicant is eligible for a scholarship under this Section when the Commission finds the applicant:

(1) is the natural child, legally adopted child, or stepchild of an eligible displaced energy worker; and

(2) in the absence of transition scholarship assistance, will be deterred by financial considerations

from completing an educational program at the State-supported Illinois institution of higher learning of his or her choice.

(g) Funds may be made available from the Energy Transition Assistance Fund to the Commission to provide these grants.

(h) The scholarship shall only cover tuition and fees at the rates offered to students residing within the State or in the district, but shall not exceed the cost equivalent of one calendar year of full-time enrollment, including summer terms, at the University of Illinois. The Commission shall determine the grant amount for each student.

Section 10-35. Consideration of energy worker employment.

(a) All State departments and agencies shall conduct a review of the Department of Commerce and Economic Opportunity's registry of energy workers to determine whether any qualified candidates are displaced energy workers before making a final hiring decision for a position in State employment.

(b) The Department of Commerce and Economic Opportunity shall inform all State agencies and departments of the obligations created by this Section and take steps to ensure compliance.

(c) Nothing in this Section shall be interpreted to indicate that the State is required to hire displaced energy workers for any position.

(d) No part of this Section shall be interpreted to be in conflict with federal or State civil rights or employment law.

Section 10-40. Energy Community Reinvestment Report. Beginning 365 days after the effective date of this Act, and at least once each calendar year thereafter, the Department shall create or commission the creation of a report on the energy worker and transition programs created in this Act and publish the report on its website. The report shall, at a minimum, contain information on program metrics, the demographics of participants, program impact, and recommendations for future modifications to the services provided by the Department under these programs.

Section 10-70. Administrative review. All final administrative decisions, including, but not limited to, funding allocation and rules issued by the Department under this Act are subject to judicial review under the Administrative Review Law. No action may be commenced under this Section prior to 60 days after the complainant has given notice in writing of the action to the Department.

Section 10-90. Repealer. This Act is repealed 24 years after the effective date of this Act.

Article 15. Community Energy, Climate, and Jobs Planning Act

Section 15-1. Short title. This Article may be cited as the Community Energy, Climate, and Jobs Planning Act. References in this Article to "this Act" mean this Article.

Section 15-5. Findings. The General Assembly makes the following findings:

(1) The health, welfare, and prosperity of Illinois residents require that Illinois take all steps possible to combat climate change, address harmful environmental impacts deriving from the generation of electricity, maximize quality job creation in the emerging clean energy economy, ensure affordable utility service, equitable and affordable access to transportation, and clean, safe, and affordable housing.

(2) The achievement of these goals will depend on strong community engagement to ensure that programs and policy solutions meet the needs of disparate communities.

(3) Ensuring that these goals are met without adverse impacts on utility bill affordability, housing affordability, and other essential services will depend on the coordination of policies and programs within local communities.

Section 15-10. Definitions. As used in this Act:

"Alternative energy improvement" means the installation or

upgrade of electrical wiring, outlets, or charging stations to charge a motor vehicle that is fully or partially powered by electricity; photovoltaic, energy storage, or thermal resource; or any combination thereof.

"Disadvantaged worker" means an individual who is defined as: (1) being homeless; (2) being a custodial single parent; (3) being a recipient of public assistance; (4) lacking a high school diploma or high school equivalency; (5) having a criminal record or other involvement in the criminal justice system; (6) suffering from chronic unemployment; (7) being previously in the child welfare system; or (8) being a veteran.

"Energy efficiency improvement" means equipment, devices, or materials intended to decrease energy consumption or promote a more efficient use of electricity, natural gas, propane, or other forms of energy on property, including, but not limited to:

(1) insulation in walls, roofs, floors, foundations, or heating and cooling distribution systems;

(2) storm windows and doors, multi-glazed windows and doors, heat-absorbing or heat-reflective glazed and coated window and door systems, and additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;

(3) automated energy control systems;

(4) high efficiency heating, ventilating, or

air-conditioning and distribution system modifications or replacements;

(5) caulking, weather-stripping, and air sealing;

(6) replacement or modification of lighting fixtures to reduce the energy use of the lighting system;

(7) energy controls or recovery systems;

(8) day lighting systems;

(9) any energy efficiency project, as defined in Section 825-65 of the Illinois Finance Authority Act; and

(10) any other installation or modification of equipment, devices, or materials approved as a utility cost-saving measure by the governing body.

"Energy project" means the installation or modification of an alternative energy improvement, energy efficiency improvement, or water use improvement, or the acquisition, installation, or improvement of a renewable energy system that is affixed to a stabilized existing property, including new construction.

"Environmental justice communities" means the proposed definition of that term based on existing methodologies and findings used by the Illinois Power Agency and its Administrator in its Illinois Solar for All Program.

"Equity investment eligible community" or "eligible community" are synonymous and mean the geographic areas throughout Illinois which would most benefit from equitable investments by the State designed to combat discrimination and

foster sustainable economic growth. Specifically, eligible communities shall be defined as the following areas:

(1) R3 Areas as established pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, where residents have historically been excluded from economic opportunities, including opportunities in the energy sector; and

(2) Environmental justice communities, as defined by the Illinois Power Agency pursuant to the Illinois Power Agency Act, where residents have historically been subject to disproportionate burdens of pollution, including pollution from the energy sector.

"Equity investment eligible person" or "eligible person" are synonymous and mean the persons who would most benefit from equitable investments by the State designed to combat discrimination and foster sustainable economic growth. Specifically, "eligible person" means the following people:

(1) a person whose primary residence is in an equity investment eligible community;

(2) a person who is a graduate of or currently enrolled in the foster care system; or

(3) a person who was formerly incarcerated.

"Governing body" means the county board or board of county commissioners of a county, the city council of a municipality, or the board of trustees of a village.

"Local Employment Plan" means a bidding option that public

agencies may include in requests for proposals to incentivize bidders to voluntarily plan to retain and create high-skilled local manufacturing jobs; invest in preapprenticeship, apprenticeship, and training opportunities; and develop family-sustaining career pathways into clean energy industries for disadvantaged workers in a specified local area. The Local Employment Plan only applies to work that is not financed with federal money.

"Local unit of government" means a county, municipality, or village.

"Natural climate solutions" means conservation, restoration, or improved land management actions that increase carbon storage or avoid greenhouse gas emissions on natural and working lands.

"Nature-based approaches for climate adaptation" means actions that preserve, enhance, or expand functions provided by nature that increase capacity to manage adverse conditions created or exacerbated by climate change. "Nature-based approaches for climate adaptation" includes, but is not limited to, the restoration of native ecosystems, especially floodplains; installation of bioswales, rain gardens, and other green stormwater infrastructure; and practices that increase soil health and reduce urban heat island effects.

"Public agency" means the State of Illinois or any of its government bodies and subdivisions, including the various counties, townships, municipalities, school districts,

educational service regions, special road districts, public water supply districts, drainage districts, levee districts, sewer districts, housing authorities, and transit agencies.

"Renewable energy resource" includes energy and its associated renewable energy credit or renewable energy credits from wind energy, solar thermal energy, geothermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, and hydropower that does not involve new construction or significant expansion of hydropower dams. For purposes of this Act, landfill gas produced in the State is considered a renewable energy resource. "Renewable energy resource" does not include the incineration or burning of any solid material.

"Renewable energy system" means a fixture, product, device, or interacting group of fixtures, products, or devices on the customer's side of the meter that use one or more renewable energy resources to generate electricity, and specifically includes any renewable energy project, as defined in Section 825-65 of the Illinois Finance Authority Act.

"U.S. Employment Plan" means a bidding option that public agencies may include in requests for proposals to incentivize bidders to voluntarily plan to retain and create high-skilled U.S. manufacturing jobs; invest in preapprenticeship, apprenticeship, and training opportunities; and develop family-sustaining career pathways into clean energy industries for disadvantaged workers throughout the U.S. The U.S. Employment Plan only applies to work financed with federal

Money.

"Water use improvement" means any fixture, product, system, device, or interacting group thereof for or serving any property that has the effect of conserving water resources through improved water management, efficiency, or thermal resource.

Section 15-15. Community Energy, Climate, and Jobs Plans; creation.

(a) Pursuant to the procedures in Section 15-20, a local unit of government may establish Community Energy, Climate, and Jobs Plans and identify boundaries and areas covered by the Plans.

(b) Community Energy, Climate, and Jobs Plans are intended to aid local governments in developing a comprehensive approach to combining different energy, climate, and jobs programs and funding resources to achieve complementary impact. An effective planning process may:

(1) help communities discover ways that their local government, businesses, and residents can control their energy use and lower their bills;

(2) ensure a cost-effective transition away from fossil fuels in the transportation sector;

(3) expand access to workforce development and job training opportunities for disadvantaged workers in the emerging clean energy economy;

(4) incentivize the creation and retention of quality Illinois jobs (when federal funds are not involved) in the emerging clean energy economy;

(5) incentivize the creation and retention of quality U.S. jobs in the emerging clean energy economy;

(6) promote economic development through improvements in community infrastructure, transit, and support for local business;

(7) improve the health of Illinois communities, especially eligible communities, by reducing emissions, addressing existing brownfield areas, and promoting the integration of distributed energy resources;

(8) enable greater customer engagement, empowerment, and options for energy services, and ultimately reduce utility bills for Illinoisans;

(9) bring the benefits of grid modernization and the deployment of distributed energy resources to economically disadvantaged communities and eligible communities throughout Illinois;

(10) support existing Illinois policy goals promoting energy efficiency, demand response, and investments in renewable energy resources;

(11) enable communities to better respond to extreme heat and cold emergencies;

(12) explore opportunities to expand and improve recreational amenities, wildlife habitat, flood

mitigation, agricultural production, tourism, and similar co-benefits by deploying natural climate solutions and nature-based approaches for climate adaptation; and

(13) ensure eligible persons, minorities, women, people with disabilities, and veterans meaningfully participate in the transition to a clean energy economy.

(c) A Community Energy, Climate, and Jobs Plan may include discussion of:

(1) the demographics of the community, including information on the mix of residential and commercial areas and populations, ages, languages, education, and workforce training, including an examination of the average utility bills paid within the community by class and zip code, the percentage and locations of individuals requiring energy assistance, and participation of community members in other assistance programs;

(2) an examination of the community's energy use, for electricity, natural gas, transportation, and other fuels;

(3) the geography of the community, including the amount of green space, brownfield sites, farmland, waterways, flood zones, heat islands, areas for potential development, location of critical infrastructure such as emergency response facilities, health care and education facilities, and public transportation routes;

(4) information on economic development opportunities, commercial usage, and employment opportunities;

(5) the current status of zero emission vehicles operated by or on behalf of public agencies within the community; and

(6) other topics deemed applicable by the community.

(d) A Community Energy, Climate, and Jobs Plan may address the following areas:

(1) distributed energy resources, including energy efficiency, demand response, dynamic pricing, energy storage, and solar (thermal, rooftop, and community);

(2) building codes, both commercial and residential;

(3) alternative transportation funding;

(4) transit options, including individual car ownership, ridesharing, buses, trains, bicycles, and pedestrian walkways;

(5) community assets related to extreme heat and cold emergencies, such as cooling and warming centers;

(6) public agency procurements of zero emission, electric vehicles; and

(7) networks of natural resources and infrastructure.

(e) A Community Energy, Climate, and Jobs Plan may conclude with proposals to:

(1) increase the use of electricity as a transportation fuel at multi-unit dwellings;

(2) maximize the system-wide benefits of transportation electrification;

(3) direct public agencies to implement tools, such as

the U.S. Employment Plan or a Local Employment Plan, to incentivize manufacturers in clean energy industries to create and retain quality jobs and invest in training, workforce development, and apprenticeship programs in connection to a major contract;

(4) test innovative load management programs or rate structures associated with the use of electric vehicles by residential customers to achieve customer fuel cost savings relative to gasoline or diesel fuels and to optimize grid efficiency;

(5) increase the integration of distributed energy resources in the community;

(6) significantly expand the percentage of net-zero housing and net-zero buildings in the community;

(7) improve utility bill affordability;

(8) increase mass transit ridership;

(9) decrease vehicle miles traveled;

(10) reduce local emissions of greenhouse gases, NO_x, SO_x, particulate matter, and other air pollutants;

(11) improve community assets that help residents respond to extreme heat and cold emergencies; and

(12) expand opportunities for eligible persons, minorities, women, people with disabilities, and veterans to meaningfully participate in the transition to a clean energy economy.

(f) A Community Energy, Climate, and Jobs Plan may be

administered by one or more program administrators or the local unit of government.

Section 15-20. Community Energy, Climate, and Jobs Planning process.

(a) An effective planning process shall engage a diverse set of stakeholders in local communities, including: environmental justice organizations; economic development organizations; faith-based nonprofit organizations; educational institutions; interested residents; health care institutions; tenant organizations; housing institutions, developers, and owners; elected and appointed officials; and representatives reflective of each local community.

(b) An effective planning process shall engage individual members of the community to the extent possible to ensure that the Plans receive input from as diverse a set of perspectives as possible.

(c) Plan materials and meetings related to the Plan shall be translated into languages that reflect the makeup of the local community.

(d) The planning process shall be conducted in an ethical, transparent fashion, and continually review its policies and practices to determine how best to meet its objectives.

(e) The Community, Energy, and Climate Plans shall take into account other applicable or relevant economic development plans, such as a Comprehensive Economic Development Strategy,

developed by a local unit of government, economic development organization, or Regional Planning Council.

Section 15-25. Joint Community Energy, Climate, and Jobs Plans. A local unit of government may join with any other local unit of government, or with any public or private person, or with any number or combination thereof, under the Intergovernmental Cooperation Act, by contract or otherwise as may be permitted by law, for the implementation of a Community Energy, Climate, and Jobs Plan, in whole or in part.

Section 15-90. Repealer. This Act is repealed 24 years after the effective date of this Act.

Article 20. Illinois Clean Energy Jobs and Justice Fund Act

Section 20-1. Short title. This Article may be cited as the Clean Energy Jobs and Justice Fund Act. References in this Article to "this Act" mean this Article.

Section 20-5. Purpose. The purpose of this Act is to promote the health, welfare, and prosperity of all the residents of this State by ensuring access to financial products that allow Illinois residents and businesses to invest in clean energy. Furthermore, the Clean Energy Jobs and

Justice Fund, is designed to fill the following purposes:

(1) ensure that the benefits of the clean energy economy are equitably distributed;

(2) make clean energy accessible to all through the provision of innovative financing opportunities and grants for Minority Business Enterprises (MBE) and other contractors of color, and for low-income, environmental justice, and BIPOC communities and the businesses that serve these communities;

(3) prioritize the provision of public and private capital for clean energy investment to MBEs and other contractors of color, and to businesses serving low-income, environmental justice, and BIPOC communities;

(4) accelerate the flow of private capital into clean energy markets;

(5) assist low-income, environmental justice, and BIPOC community utility customers in paying for solar and energy efficiency upgrades through energy cost savings;

(6) increase access to no-cost and low-cost loans for MBE and other contractors of color;

(7) develop financing products designed to compensate for historical and structural barriers preventing low-income, environmental justice, and BIPOC communities from accessing traditional financing;

(8) leverage private investment in clean energy projects and in projects developed by MBEs and other

contractors of color; and

(9) pursue financial self-sustainability through innovative financing products.

Section 20-10. Definitions. As used in this Act:

"Black, indigenous, and people of color" or "BIPOC" means people who are members of the groups described in subparagraphs (a) through (e) of paragraph (A) of subsection (1) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Board" means the Board of Directors of the Clean Energy Jobs and Justice Fund.

"Contractor of color" means a business entity that is at least 51% owned by one or more BIPOC persons, or in the case of a corporation, at least 51% of the corporation's stock is owned by one or more BIPOC persons, and the management and daily business operations of which are controlled by one or more of the BIPOC persons who own it. A contractor of color may also be a nonprofit entity with a board of directors composed of at least 51% BIPOC persons or a nonprofit entity certified by the State of Illinois to be minority-led.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings used by the Illinois Power Agency and its Administrator of the Illinois Solar for All Program.

"Fund" means the Clean Energy Jobs and Justice Fund.

"Low-income" means households whose income does not exceed 80% of Area Median Income (AMI), adjusted for family size and revised every 5 years.

"Low-income community" means a census tract where at least half of households are low-income.

"Minority-owned business enterprise" or "MBE" means a business certified as such by an authorized unit of government or other authorized entity in Illinois.

"Municipality" means a city, village, or incorporated town.

"Person" means any natural person, firm, partnership, corporation, either domestic or foreign, company, association, limited liability company, joint stock company, or association and includes any trustee, receiver, assignee, or personal representative thereof.

Section 20-15. Clean Energy Jobs and Justice Fund.

(a) Not later than 30 days after the effective date of this Act, there shall be incorporated a nonprofit corporation to be known as the "Clean Energy Jobs and Justice Fund".

(b) The Fund shall not be an agency or instrumentality of the State Government.

(c) The full faith and credit of the State of Illinois shall not extend to the Fund.

(d) The Fund shall:

(1) Be an organization described in subsection (c) of

Section 501 of the Internal Revenue Code of 1986 and exempt from taxation under subsection (a) of Section 501 of that Code;

(2) Ensure that no part of the income or assets of the Fund shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses; and

(3) Not contribute to or otherwise support any political party or candidate for elective office.

Section 20-20. Board of Directors.

(a) The Fund shall be managed by, and its powers, functions, and duties shall be exercised through, a Board to be composed of 11 members. The initial members of the Board shall be appointed by the Governor with the advice and consent of the Senate within 60 days after the effective date of this Act. Members of the Board shall be broadly representative of the communities that the Fund is designed to serve. Of such members:

(1) at least one member shall be selected from each of the following geographic regions in the State: northeast, northwest, central, and southern;

(2) at least 2 members shall have experience in providing energy-related services to low-income, environmental justice, or BIPOC communities;

(3) at least one member shall own or be employed by an

MBE or BIPOC-owned business focused on the deployment of clean energy;

(4) at least one member shall be a policy or implementation expert in serving low-income, environmental justice or BIPOC communities or individuals, including environmental justice communities, BIPOC communities, formerly convicted persons, persons who are or were in the child welfare system, displaced energy workers, gender nonconforming and transgender individuals, or youth; and

(5) at least one member shall be from a community-based organization with a specific mission to support racially and socioeconomically diverse environmental justice communities.

(a-5) The terms of the initial members of the Board shall be as follows:

(1) 5 members appointed and confirmed shall have initial 5-year terms;

(2) 3 members appointed and confirmed shall have initial 4-year terms; and

(3) 3 members appointed and confirmed shall have initial 3-year terms.

(b) Subsequent composition and terms.

(1) Except for the selection of the initial members of the Board for their initial terms under paragraph (1) of subsection (a) of this Section, the members of the Board shall be elected by the members of the Board.

(2) A member of the Board shall be disqualified from voting for any position on the Board for which such member is a candidate.

(3) All members elected pursuant to paragraph (2) of subsection (a) of this Section shall have a term of 5 years.

(c) The members of the Board shall be broadly representative of the communities that the Fund is designed to serve and shall collectively have expertise in environmental justice, energy efficiency, distributed renewable energy, workforce development, finance and investments, clean transportation, and climate resilience. Of such members:

(1) not fewer than 2 shall be selected from each of the following geographic regions in the State: northeast, northwest, central, and southern;

(2) not fewer than 2 shall be from an MBE or BIPOC-owned business focused on the deployment of clean energy;

(3) not fewer than 2 shall be from a community-based organization with a specific mission to support racially and socioeconomically diverse environmental justice communities; and

(4) not fewer than 2 shall be from an organization specializing in providing energy-related services to low-income, environmental justice, or BIPOC communities.

(5) Members of the Board can fulfill multiple

criteria, such as representing the southern region and an MBE or BIPOC-owned business focused on the deployment of clean energy.

(d) No officer or employee of the State or any other level of government may be appointed or elected as a member of the Board.

(e) Seven members of the Board shall constitute a quorum.

(f) The Board shall adopt, and may amend, such bylaws as are necessary for the proper management and functioning of the Fund. Such bylaws shall include designation of officers of the Fund and the duties of such officers.

(g) No person who is an employee in any managerial or supervisory capacity, director, officer or agent or who is a member of the immediate family of any such employee, director, officer, or agent of any public utility is eligible to be a director. No director may hold any elective position, be a candidate for any elective position, be a State public official, be employed by the Illinois Commerce Commission, or be employed in a governmental position exempt from the Illinois Personnel Code.

(h) No director, nor member of his or her immediate family shall, either directly or indirectly, be employed for compensation as a staff member or consultant of the Fund.

(i) The Board shall hold regular meetings at least once every 3 months on such dates and at such places as it may determine. Meetings may be held by teleconference or

videoconference. Special meetings may be called by the president or by a majority of the directors upon at least 7 days' advance written notice. The act of the majority of the directors, present at a meeting at which a quorum is present, shall be the act of the Board of Directors unless the act of a greater number is required by this Act or bylaws. A summary of the minutes of every Board meeting shall be made available to each public library in the State upon request and to individuals upon request. Board of Directors meeting minutes shall be posted on the Fund's website within 14 days after Board approval of the minutes.

(j) A director may not receive any compensation for his or her services but shall be reimbursed for necessary expenses, including travel expenses incurred in the discharge of duties. The Board shall establish standard allowances for mileage, room and meals and the purposes for which such allowances may be made and shall determine the reasonableness and necessity for such reimbursements.

(k) In the event of a vacancy on the Board, the Board of Directors shall appoint a temporary member, consistent with the requirements of the Board composition, to serve the remainder of the term for the vacant seat.

(l) The Board shall adopt rules for its own management and government, including bylaws and a conflict of interest policy.

(m) The Board of Directors of the Fund shall adopt written

procedures for:

(1) adopting an annual budget and plan of operations, including a requirement of Board approval before the budget or plan may take effect;

(2) hiring, dismissing, promoting, and compensating employees of the Fund, including an affirmative action policy and a requirement of Board approval before a position may be created or a vacancy filled;

(3) acquiring real and personal property and personal services, including a requirement of Board approval for any non-budgeted expenditure in excess of $5,000;

(4) contracting for financial, legal, bond underwriting and other professional services, including requirements that the Fund (i) solicit proposals at least once every 3 years for each such service that it uses, and (ii) ensure equitable contracting with diverse suppliers;

(5) issuing and retiring bonds, bond anticipation notes, and other obligations of the Fund; and

(6) awarding loans, grants and other financial assistance, including (i) eligibility criteria, the application process and the role played by the Fund's staff and Board of Directors, and (ii) ensuring racial equity in the awarding of loans, grants, and other financial assistance.

(n) The Board shall develop a robust set of metrics to measure the degree to which the program is meeting the

purposes set forth in Section 20-5 of this Act, and especially measuring adherence to the racial equity purposes set forth there, and a reporting format and schedule to be adhered to by the Fund officers and staff. These metrics and reports shall be posted quarterly on the Fund's website.

(o) The Board of Directors has the responsibility to make program adjustments necessary to ensure that the Clean Energy Jobs and Justice Fund is meeting the purposes set forth in this Act. Fund officers and staff and the Board of Directors are responsible for ensuring capital providers and Fund officers and staff, partners, and financial institutions are held to state and federal standards for ethics and predatory lending practices and shall immediately remove any offending products and sponsoring organizations from Fund participation.

(p) The Board shall issue annually a report reviewing the activities of the Fund in detail and shall provide a copy of such report to the joint standing committees of the General Assembly having cognizance of matters relating to energy and commerce. The report shall be published on the Fund's website within 3 days after its submission to the General Assembly.

Section 20-25. Powers and duties.

(a) The Fund shall endeavor to perform the following actions, but is not limited to these specified actions:

(1) Develop programs to finance and otherwise support clean energy investment and projects as determined by the

Fund in keeping with the purposes of this Act.

(2) Support financing or other expenditures that promote investment in clean energy sources in order to (i) foster the development and commercialization of clean energy projects, including projects serving low-income, environmental justice, and BIPOC communities, and (ii) support project development by MBE and other contractors of color.

(3) Prioritize the provision of public and private capital for clean energy investment to MBEs and other contractors of color, and to clean energy investment in low-income, environmental justice, and BIPOC communities.

(4) Provide access to grants, no-cost, and low-cost loans to MBEs and other contractors of color, including those participating in the Clean Energy Primes Contractor Accelerator Program.

(5) Provide financial assistance in the form of grants, loans, loan guarantees or debt and equity investments, as approved in accordance with written procedures.

(6) Assume or take title to any real property, convey or dispose of its assets and pledge its revenues to secure any borrowing, convey or dispose of its assets and pledge its revenues to secure any borrowing, for the purpose of developing, acquiring, constructing, refinancing, rehabilitating or improving its assets or supporting its

programs, provided each such borrowing or mortgage, unless otherwise provided by the Board or the Fund, shall be a special obligation of the Fund, which obligation may be in the form of bonds, bond anticipation notes, or other obligations that evidence an indebtedness to the extent permitted under this Act to fund, refinance and refund the same and provide for the rights of holders thereof, and to secure the same by pledge of revenues, notes and mortgages of others, and which shall be payable solely from the assets, revenues and other resources of the Fund and such bonds may be secured by a special capital reserve fund contributed to by the State.

(7) Contract with community-based organizations to design and implement program marketing, communications, and outreach to potential users of the Fund's products, particularly potential users in low-income, environmental justice, and BIPOC communities. These contracts shall include funding to ensure that the contracted community-based organizations provide materials and outreach support, including payments for time and expenses, to other community organizations, professional organizations, and subcontractors that have an interest in the Fund's financial products.

(8) Collect the following data and perform monthly and quarterly reporting to the Board in accordance with the reporting format and schedule developed by the Board of

Directors:

(A) baseline data on capital sources or providers, loan recipients, projects funded, loan terms, and other relevant financial data;

(B) diversity and equity data, including race, gender, socioeconomic, and geographic region; and

(C) program administration and servicing data. These reports shall be published to the Fund's website monthly and quarterly. Reports published to the website may be anonymized to protect the data of individual program participants.

(9) Have the purposes as provided by resolution of the Fund's Board of Directors, which purposes shall be consistent with this Section and Section 20-5 of this Act. No further action is required for the establishment of the Fund, except the adoption of a resolution for the Fund.

(b) In addition to, and not in limitation of, any other power of the Fund set forth in this Section or any other provision of the general statutes, the Fund shall have and may exercise the following powers in furtherance of or in carrying out its purposes:

(1) have perpetual succession as a body corporate and to adopt bylaws, policies, and procedures for the regulation of its affairs and the conduct of its business;

(2) make and enter into all contracts and agreements that are necessary or incidental to the conduct of its

business;

(3) invest in, acquire, lease, purchase, own, manage, hold, sell, and dispose of real or personal property or any interest therein;

(4) borrow money or guarantee a return to investors or lenders;

(5) hold patents, copyrights, trademarks, marketing rights, licenses, or other rights in intellectual property;

(6) employ such assistants, agents, and employees as may be necessary or desirable; establish all necessary or appropriate personnel practices and policies, including those relating to hiring, promotion, compensation and retirement, and engage consultants, attorneys, financial advisers, appraisers, and other professional advisers as may be necessary or desirable;

(7) invest any funds not needed for immediate use or disbursement pursuant to investment policies adopted by the Fund's Board of Directors;

(8) procure insurance against any loss or liability with respect to its property or business of such types, in such amounts and from such insurers as it deems desirable;

(9) enter into joint ventures and invest in, and participate with any person, including, without limitation, government entities and private corporations, in the formation, ownership, management and operation of

business entities, including stock and nonstock corporations, limited liability companies and general or limited partnerships, formed to advance the purposes of the Fund, provided members of the Board of Directors or officers or employees of the Fund may serve as directors, members or officers of any such business entity, and such service shall be deemed to be in the discharge of the duties or within the scope of the employment of any such director, officer or employee, as the case may be, so long as such director, officer or employee does not receive any compensation or financial benefit as a result of serving in such role; and

(10) all other acts necessary or convenient to carry out the purposes of this Act.

(c) Before making any loan, loan guarantee, or such other form of financing support or risk management for a clean energy project, the Fund shall develop standards to govern the administration of the Fund through rules, policies, and procedures that specify borrower eligibility, terms, and conditions of support, and other relevant criteria, standards, or procedures.

(d) Funding sources specifically authorized include, but are not limited to:

(1) funds repurposed from existing programs providing financing support for clean energy projects, provided any transfer of funds from such existing programs shall be

subject to approval by the General Assembly and shall be used for expenses of financing, grants, and loans;

(2) any federal funds that can be used for the purposes specified in this Act;

(3) charitable gifts, grants, contributions, as well as loans from individuals, corporations, university endowment funds, and philanthropic foundations; and

(4) earnings and interest derived from financing support activities for clean energy projects backed by the Fund.

(e) The Fund may enter into agreements with private sources to raise capital.

(f) The Fund may assess reasonable fees on its financing activities to cover its reasonable costs and expenses, as determined by the Board.

(g) The Fund shall make information regarding the rates, terms and conditions for all of its financing support transactions available to the public for inspection, including formal annual reviews by both a private auditor conducted pursuant this Section and the Comptroller, and provide details to the public on the Internet, provided public disclosure shall be restricted for patentable ideas, trade secrets, proprietary or confidential commercial or financial information, disclosure of which may cause commercial harm to a nongovernmental recipient of such financing support and for other information exempt from public records disclosure.

(h) The powers enumerated in this Section shall be interpreted broadly to effectuate the purposes established in this Section and shall not be construed as a limitation of powers.

Section 20-30. Primary responsibilities in early program development.

(a) Consistent with the goals of this Act, the Fund has the authority to pursue a broad range of financial products and services. In early development of products and services offered, the Fund should consider the following programs as its initial set of investment initiatives:

(1) a solar lease, power-purchase agreement, or loan-to-own product specifically designed to complement and grow the Illinois Solar for All Program;

(2) direct capitalization of contractors of color participating in or graduating from the workforce and business development programs established in the Energy Transition Act;

(3) providing direct capitalization of community-based projects in environmental justice communities through upfront grants. Project applications should provide a community benefit, align with environmental justice communities, be in support of this Act's contractor and workforce development goals, and support upfront planning, development, and start up costs that often are not covered

prior to applying for program incentives and other loan products;

(4) providing loan loss reserve products to secure stable and low-interest financing for individual projects and portfolios consistent with the goals of this Act that would be otherwise unable to receive financing; and

(5) offering financing and administrative services for municipal utilities and rural electric cooperatives to create their own version of the on-bill Equitable Energy Upgrade Program such as the Pay As You Save program developed by the Energy Efficiency Institute.

Section 20-35. Executive director and fund management.

(a) The executive director hired by the Board shall have the same qualifications as a director pursuant to subsections (d), (g), and (h) of Section 20-20 of this Act. The executive director may not be a candidate for the Board of Directors while serving as executive director. The executive director must have 5 or more years of experience in equitable and inclusive financing serving racially and socioeconomically diverse communities.

(b) To hire the executive director, the Board shall adhere to any applicable State or federal law prohibiting discrimination in employment.

(c) The Board shall require all applicants for the position of executive director of the Fund to file a financial

statement consistent with requirements established by the Board. The Board shall require the executive director to file a current statement annually.

(d) The Fund shall be administered by the executive director and the staff and overseen by the Board of Directors. Fund officers and staff shall receive training in how to best provide services and support to low-income, environmental justice, and BIPOC communities and on supporting borrowers with loan applications, loan underwriting, and loan services.

Section 20-40. Dissolution. The Fund may dissolve or be dissolved under the General Not for Profit Corporation Act.

Section 20-90. Repealer. This Act is repealed 24 years after the effective date of this Act.

Article 90.

Section 90-1. Legislative findings. The General Assembly finds and declares:

(1) The overall objectives of regulation of the electric utility industry in this State, as expressed by the General Assembly in the Illinois Power Agency Act and the Public Utilities Act, include the provision of adequate, efficient, reliable, environmentally safe, and least-cost utility services at prices that accurately

reflect the long-term cost of such services and that are equitable to all citizens.

(2) For many years, a significant portion of the electricity consumed by consumers and businesses in this State, particularly in the downstate region, has been produced by large coal-fueled electric generating stations located in the downstate region. However, in recent years, the prices for electric generating capacity and energy available to coal-fueled electric generating stations located in the downstate region of this State have been insufficient to enable many electric generating facilities located within the downstate region to remain in operation, and have placed other electric generating stations at risk of closure. Changes in environmental regulations and, significantly, increasing concerns about the effects of carbon emissions on the climate, have also contributed to the retirement of coal-fueled generating stations in the downstate region. As a result, the vast majority of the coal-fueled generation located in Illinois, and particularly in the downstate region, has recently been retired or will be retired by no later than the end of 2027.

(3) Reliable electric service at all times is essential to the functioning of a modern economy and of society in general. The health, welfare, and prosperity of Illinois citizens, including the attractiveness of the

State of Illinois to business and industry, requires the availability of sufficient electric generating capacity, including energy storage capacity, to meet the demands of consumers and businesses in this State at all times. However, to a significant extent, electricity, when generated, cannot be stored for future use in any significant amount relative to the total amount of electricity that existing generating facilities can produce. Rather, for the most part, electricity must be produced instantaneously at the time and in the amount that it is demanded by residential and business consumers. The development of energy storage facilities provides some opportunity to store some amounts of electricity for use at later times; but energy storage facilities with sufficient capacity to deliver electricity to meet the demands of consumers in this State, 24 hours per day, 7 days per week on every day of the year, have not yet been built.

(4) Both the Midcontinent Independent System Operator, Inc., which is the independent transmission system operator for downstate Illinois, and its Independent Market Monitor, have expressed concerns about the sufficiency of electric generating resources in downstate Illinois over the next several years, due primarily to the announced and anticipated retirements of coal-fueled electric generating facilities and concerns about how

quickly and extensively new wind and solar generating facilities will be placed into service. Concerns have also been expressed, based on the intermittent nature of wind and solar generating facilities, as to whether the grid can operate reliably without sufficient dispatchable generation resources or significant additions of energy storage facilities to balance the output of renewable generating facilities. The General Assembly believes that the State cannot afford to find itself in a situation of insufficient electric generating resources to meet the needs of Illinois residential and business consumers 24 hours a day, 7 days a week. Thus, consistent with the overall objectives of the regulation of the electric utility industry in this State and the interests of the State in protecting the health and welfare of its residents, regulation should ensure that sufficient generating resources, including energy storage resources, are available to enable the electric utility grid to meet the demands of Illinois electricity consumers at all times.

(5) Through previous enactments beginning in 2007, the General Assembly has provided financial incentives for the construction and operation of wind, solar, and other types of renewable energy facilities to serve load in Illinois. In such enactments, the General Assembly has recognized that providing opportunities to enter into long-term

contracts for the purchase of renewable energy credits from renewable energy facilities creates incentives, and in fact is necessary, for the construction and operation of such resources. Developers typically cannot, financially, develop new, large-scale renewable energy generating resources without having secured long-term contracts for the renewable energy credits that the new facilities will produce.

(6) The permitting and siting of new wind and solar generating facilities in Illinois are subject to local governmental control, and in many areas of this State, there has been strong opposition to the siting and construction of new utility-scale wind and solar generating facilities, which in turn has resulted in the denial of, or withdrawal of requests for, necessary approvals for some projects and the enactment of local zoning ordinances imposing requirements and restrictions that increase the costs and reduce the economic attractiveness of such projects. This has resulted in delay or cancellation of a number of renewable energy projects. This experience demonstrates the advantages of targeting the installation of new utility-scale renewable energy facilities at sites that are already suitable for installation of such facilities and can be readily permitted.

(7) In light of the intermittent nature of many types

of renewable energy facilities, such as wind and solar generation, the installation and operation of electricity storage facilities in conjunction with the installation and operation of renewable generation facilities can enhance the value of renewable energy resources to the electric grid.

(8) The sites of many of the large coal-fueled electric generating stations located in the downstate region of this State that have recently been retired or announced for retirement, or are at risk of retirement, have existing infrastructure and other characteristics which make them suitable potential sites for development of new renewable energy generating facilities and electricity storage facilities. This infrastructure and other characteristics include large amounts of available land situated at a suitable distance from populated areas, suitable levels of exposure to sunlight, and high voltage interconnections to nearby bulk electric system transmission grid facilities at strategic locations. Development of these generating plant sites for large-scale renewable energy generating facilities, particularly photovoltaic facilities which require large amounts of space, and electricity storage facilities, can help advance this State's objective of increasing the portion of the State's total electricity usage that is supplied by zero emission resources, and reducing the

proportion of the electricity produced in this State that is produced by carbon-emitting resources, while supporting the reliability of electric service in the downstate region. Accordingly, the General Assembly finds that it is in the public interest to encourage the redevelopment of the sites of retired and still-operating coal-fueled electric generating stations as locations for renewable energy generating facilities and electricity storage facilities.

(9) Many, if not all, of the coal-fueled electric generating plants in this State that have recently been retired or announced for retirement, or are at near-term risk of retirement, were at one time owned, at whole or in part, by a public utility as defined in Section 3-105 of the Public Utilities Act and were thereby devoted to public service and the public use in Illinois, with their costs paid for by rates paid by public utility ratepayers in Illinois. The General Assembly finds that it is appropriate to provide incentives to the owners of the sites of coal-fueled electric generating facilities in this State that were once owned by public utilities, to repurpose those sites in a manner that continues to benefit the public by providing for the generation of carbon-free, non-emitting electricity and reliable bulk electric service.

(10) The General Assembly finds it is appropriate for

the State of Illinois to establish a program to provide incentives for the installation and operation of new renewable energy facilities, along with energy storage facilities, at the sites of retired and at-risk coal-fueled electric generating facilities in this State, to help expedite the transition of this State's electric generation fleet to lower-emitting resources while ensuring the availability of sufficient electric energy resources to meet the demands of residential and business electricity consumers in this State.

(11) In light of the foregoing findings, the purpose of the program established in subsection (c-5) of Section 1-75 of the Illinois Power Agency Act is to incentivize and support conversion and development of unused (or to be unused) sites of recently retired and soon to-be-retired coal-fueled power plants in this State to productive new uses as sites for the generation and provision of electricity from renewable energy facilities and energy storage facilities, thereby contributing to the State's efforts to reduce carbon emissions from facilities in this State and increase the production of the State's electricity needs from clean energy resources. The provisions of this Act also will support the reliability of the bulk power grid in this State by incentivizing and supporting installation of new generating facilities and energy storage facilities at locations on the grid where

synchronous generation was formerly located.

Section 90-3. The Illinois Administrative Procedure Act is amended by adding 5-45.9 as follows:

(5 ILCS 100/5-45.9 new)

Sec. 5-45.9. Emergency rulemaking; Multi-Year Integrated Grid Plans. To provide for the expeditious and timely implementation of Section 16-105.17 of the Public Utilities Act, emergency rules implementing Section 16-105.17 of the Public Utilities Act may be adopted in accordance with Section 5-45 by the Illinois Commerce Commission. The adoption of emergency rules authorized by Section 5-45 and this Section is deemed to be necessary for the public interest, safety, and welfare.

This Section is repealed one year after the effective date of this amendatory Act of the 102nd General Assembly.

Section 90-5. The Illinois Governmental Ethics Act is amended by adding Section 1-121 and by changing Sections 4A-102 and 4A-103 as follows:

(5 ILCS 420/1-121 new)

Sec. 1-121. Public utility. "Public utility" has the meaning provided in Section 3-105 of the Public Utilities Act.

(5 ILCS 420/4A-102) (from Ch. 127, par. 604A-102)

Sec. 4A-102. The statement of economic interests required by this Article shall include the economic interests of the person making the statement as provided in this Section. The interest (if constructively controlled by the person making the statement) of a spouse or any other party, shall be considered to be the same as the interest of the person making the statement. Campaign receipts shall not be included in this statement.

(a) The following interests shall be listed by all persons required to file:

(1) The name, address and type of practice of any professional organization or individual professional practice in which the person making the statement was an officer, director, associate, partner or proprietor, or served in any advisory capacity, from which income in excess of $1200 was derived during the preceding calendar year;

(2) The nature of professional services (other than services rendered to the unit or units of government in relation to which the person is required to file) and the nature of the entity to which they were rendered if fees exceeding $5,000 were received during the preceding calendar year from the entity for professional services rendered by the person making the statement.

(3) The identity (including the address or legal description of real estate) of any capital asset from which a capital gain of $5,000 or more was realized in the preceding calendar year.

(4) The name of any unit of government which has employed the person making the statement during the preceding calendar year other than the unit or units of government in relation to which the person is required to file.

(5) The name of any entity from which a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of $500, was received during the preceding calendar year.

(b) The following interests shall also be listed by persons listed in items (a) through (f), item (l), item (n), and item (p) of Section 4A-101:

(1) The name and instrument of ownership in any entity doing business in the State of Illinois, in which an ownership interest held by the person at the date of filing is in excess of $5,000 fair market value or from which dividends of in excess of $1,200 were derived during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description). No time or demand deposit in a financial institution, nor any debt instrument need be listed;

(2) Except for professional service entities, the name of any entity and any position held therein from which income of in excess of $1,200 was derived during the preceding calendar year, if the entity does business in the State of Illinois. No time or demand deposit in a financial institution, nor any debt instrument need be listed.

(3) The identity of any compensated lobbyist with whom the person making the statement maintains a close economic association, including the name of the lobbyist and specifying the legislative matter or matters which are the object of the lobbying activity, and describing the general type of economic activity of the client or principal on whose behalf that person is lobbying.

(c) The following interests shall also be listed by persons listed in items (a) through (c) and item (e) of Section 4A-101.5:

(1) The name and instrument of ownership in any entity doing business with a unit of local government in relation to which the person is required to file if the ownership interest of the person filing is greater than $5,000 fair market value as of the date of filing or if dividends in excess of $1,200 were received from the entity during the preceding calendar year. (In the case of real estate, location thereof shall be listed

by street address, or if none, then by legal description). No time or demand deposit in a financial institution, nor any debt instrument need be listed.

(2) Except for professional service entities, the name of any entity and any position held therein from which income in excess of $1,200 was derived during the preceding calendar year if the entity does business with a unit of local government in relation to which the person is required to file. No time or demand deposit in a financial institution, nor any debt instrument need be listed.

(3) The name of any entity and the nature of the governmental action requested by any entity which has applied to a unit of local government in relation to which the person must file for any license, franchise or permit for annexation, zoning or rezoning of real estate during the preceding calendar year if the ownership interest of the person filing is in excess of $5,000 fair market value at the time of filing or if income or dividends in excess of $1,200 were received by the person filing from the entity during the preceding calendar year.

(d) The following interest shall also be listed by persons listed in items (a) through (f) of Section 4A-101: the name of any spouse or immediate family member living with such person employed by a public utility in this

State and the name of the public utility that employs such person.

For the purposes of this Section, the unit of local government in relation to which a person is required to file under item (e) of Section 4A-101.5 shall be the unit of local government that contributes to the pension fund of which such person is a member of the board.

(Source: P.A. 101-221, eff. 8-9-19.)

(5 ILCS 420/4A-103) (from Ch. 127, par. 604A-103)

Sec. 4A-103. The statement of economic interests required by this Article to be filed with the Secretary of State or county clerk shall be ~~filled in by typewriting or hand printing, shall be~~ verified, dated, and signed by the person making the statement and shall contain substantially the following:

STATEMENT OF ECONOMIC INTERESTS

INSTRUCTIONS:

You may find the following documents helpful to you in completing this form:

(1) federal income tax returns, including any related schedules, attachments, and forms; and

(2) investment and brokerage statements.

To complete this form, you do not need to disclose

specific amounts or values or report interests relating either to political committees registered with the Illinois State Board of Elections or to political committees, principal campaign committees, or authorized committees registered with the Federal Election Commission.

The information you disclose will be available to the public.

You must answer all 6 questions. Certain questions will ask you to report any applicable assets or debts held in, or payable to, your name; held jointly by, or payable to, you with your spouse; or held jointly by, or payable to, you with your minor child. If you have any concerns about whether an interest should be reported, please consult your department's ethics officer, if applicable.

Please ensure that the information you provide is complete and accurate. If you need more space than the form allows, please attach additional pages for your response. If you are subject to the State Officials and Employees Ethics Act, your ethics officer must review your statement of economic interests before you file it. Failure to complete the statement in good faith and within the prescribed deadline may subject you to fines, imprisonment, or both.

BASIC INFORMATION:

Name:.....

Job title: .....

Office, department, or agency that requires you to file this form:.....

Other offices, departments, or agencies that require you to file a Statement of Economic Interests form: .....

Full mailing address:.....

Preferred e-mail address (optional): .....

QUESTIONS:

1. If you have any single asset that was worth more than $10,000 as of the end of the preceding calendar year and is held in, or payable to, your name, held jointly by, or payable to, you with your spouse, or held jointly by, or payable to, you with your minor child, list such assets below. In the case of investment real estate, list the city and state where the investment real estate is located. If you do not have any such assets, list "none" below.

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2. Excluding the position for which you are required to file this form, list the source of any income in excess of $7,500 required to be reported during the preceding calendar year. If you sold an asset that produced more than $7,500 in capital gains in the preceding calendar year, list the name of

the asset and the transaction date on which the sale or transfer took place. If you had no such sources of income or assets, list "none" below.

Source of Income / Name of Asset	Date Sold (if applicable)
.....	.....
.....	.....
.....	.....

3. Excluding debts incurred on terms available to the general public, such as mortgages, student loans, and credit card debts, if you owed any single debt in the preceding calendar year exceeding $10,000, list the creditor of the debt below. If you had no such debts, list "none" below.

List the creditor for all applicable debts owed by you, owed jointly by you with your spouse, or owed jointly by you with your minor child. In addition to the types of debts listed above, you do not need to report any debts to or from financial institutions or government agencies, such as debts secured by automobiles, household furniture or appliances, as long as the debt was made on terms available to the general public, debts to members of your family, or debts to or from a political committee registered with the Illinois State Board of Elections or any political committee, principal campaign committee, or authorized committee registered with the Federal Election Commission.

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4. List the name of each unit of government of which you or your spouse were an employee, contractor, or office holder during the preceding calendar year other than the unit or units of government in relation to which the person is required to file and the title of the position or nature of the contractual services.

Name of Unit of Government	Title or Nature of Services
.....	.....
.....	.....
.....	.....

5. If you maintain an economic relationship with a lobbyist or if a member of your family is known to you to be a lobbyist registered with any unit of government in the State of Illinois, list the name of the lobbyist below and identify the nature of your relationship with the lobbyist. If you do not have an economic relationship with a lobbyist or a family member known to you to be a lobbyist registered with any unit of government in the State of Illinois, list "none" below.

Name of Lobbyist	Relationship to Filer
.....	.....

....

....

6. List the name of each person, organization, or entity that was the source of a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of $500 received during the preceding calendar year and the type of gift or gifts, or honorarium or honoraria, excluding any gift or gifts from a member of your family that was not known to be a lobbyist registered with any unit of government in the State of Illinois. If you had no such gifts, list "none" below.

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7. List the name of any spouse or immediate family member living with the person making this statement employed by a public utility in this State and the name of the public utility that employs the relative.

Name and Relation	Public Utility
.....	.....
.....	.....
.....	.....

VERIFICATION:

"I declare that this statement of economic interests (including any attachments) has been examined by me and to the best of my knowledge and belief is a true, correct and complete

statement of my economic interests as required by the Illinois Governmental Ethics Act. I understand that the penalty for willfully filing a false or incomplete statement is a fine not to exceed $2,500 or imprisonment in a penal institution other than the penitentiary not to exceed one year, or both fine and imprisonment."

Printed Name of Filer: .....

Date: .....

Signature: .....

If this statement of economic interests requires ethics officer review prior to filing, the applicable ethics officer must complete the following:

CERTIFICATION OF ETHICS OFFICER REVIEW:

"In accordance with law, as Ethics Officer, I reviewed this statement of economic interests prior to its filing."

Printed Name of Ethics Officer: .....

Date: .....

Signature: .....

Preferred e-mail address (optional): .....

~~STATEMENT OF ECONOMIC INTEREST~~

~~(TYPE OR HAND PRINT)~~

~~.....~~

~~(name)~~

.....

(each office or position of employment for which this statement is filed)

.....

(full mailing address)

GENERAL DIRECTIONS:

The interest (if constructively controlled by the person making the statement) of a spouse or any other party, shall be considered to be the same as the interest of the person making the statement.

Campaign receipts shall not be included in this statement.

If additional space is needed, please attach supplemental listing.

1. List the name and instrument of ownership in any entity doing business in the State of Illinois, in which the ownership interest held by the person at the date of filing is in excess of $5,000 fair market value or from which dividends in excess of $1,200 were derived during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description.) No time or demand deposit in a financial institution, nor any debt instrument need be listed.

Business Entity	Instrument of Ownership
.....	.....
.....	.....
.....	.....

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2. List the name, address and type of practice of any professional organization in which the person making the statement was an officer, director, associate, partner or proprietor or served in any advisory capacity, from which income in excess of $1,200 was derived during the preceding calendar year.

Name	Address	Type of Practice
.....	.....	.....
.....	.....	.....
.....	.....	.....

3. List the nature of professional services rendered (other than to the State of Illinois) to each entity from which income exceeding $5,000 was received for professional services rendered during the preceding calendar year by the person making the statement.

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4. List the identity (including the address or legal description of real estate) of any capital asset from which a capital gain of $5,000 or more was realized during the preceding calendar year.

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5. List the identity of any compensated lobbyist with whom the person making the statement maintains a close economic

~~association, including the name of the lobbyist and specifying the legislative matter or matters which are the object of the lobbying activity, and describing the general type of economic activity of the client or principal on whose behalf that person is lobbying.~~

~~Lobbyist~~	~~Legislative Matter~~	~~Client or Principal~~
.....	.....	.....
.....	.....	.....

~~6. List the name of any entity doing business in the State of Illinois from which income in excess of $1,200 was derived during the preceding calendar year other than for professional services and the title or description of any position held in that entity. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description). No time or demand deposit in a financial institution nor any debt instrument need be listed.~~

~~Entity~~	~~Position Held~~
.....	.....
.....	.....
.....	.....

~~7. List the name of any unit of government which employed the person making the statement during the preceding calendar year other than the unit or units of government in relation to which the person is required to file.~~

.....

.....

~~8. List the name of any entity from which a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of $500, was received during the preceding calendar year.~~

~~.....~~

~~VERIFICATION:~~

~~"I declare that this statement of economic interests (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of my economic interests as required by the Illinois Governmental Ethics Act. I understand that the penalty for willfully filing a false or incomplete statement shall be a fine not to exceed $1,000 or imprisonment in a penal institution other than the penitentiary not to exceed one year, or both fine and imprisonment."~~

~~.....~~ ~~.....~~

~~(date of filing)~~ ~~(signature of person making the statement)~~

(Source: P.A. 95-173, eff. 1-1-08.)

Section 90-10. The State Officials and Employees Ethics Act is amended by changing Section 5-50 as follows:

(5 ILCS 430/5-50)

Sec. 5-50. Ex parte communications; special government agents.

(a) This Section applies to ex parte communications made to any agency listed in subsection (e).

(b) "Ex parte communication" means any written or oral communication by any person that imparts or requests material information or makes a material argument regarding potential action concerning regulatory, quasi-adjudicatory, investment, or licensing matters pending before or under consideration by the agency. "Ex parte communication" does not include the following: (i) statements by a person publicly made in a public forum; (ii) statements regarding matters of procedure and practice, such as format, the number of copies required, the manner of filing, and the status of a matter; and (iii) statements made by a State employee of the agency to the agency head or other employees of that agency.

(b-5) An ex parte communication received by an agency, agency head, or other agency employee from an interested party or his or her official representative or attorney shall promptly be memorialized and made a part of the record.

(c) An ex parte communication received by any agency, agency head, or other agency employee, other than an ex parte communication described in subsection (b-5), shall immediately be reported to that agency's ethics officer by the recipient of the communication and by any other employee of that agency who responds to the communication. The ethics officer shall require that the ex parte communication be promptly made a part of the record. The ethics officer shall promptly file the

ex parte communication with the Executive Ethics Commission, including all written communications, all written responses to the communications, and a memorandum prepared by the ethics officer stating the nature and substance of all oral communications, the identity and job title of the person to whom each communication was made, all responses made, the identity and job title of the person making each response, the identity of each person from whom the written or oral ex parte communication was received, the individual or entity represented by that person, any action the person requested or recommended, and any other pertinent information. The disclosure shall also contain the date of any ex parte communication.

(d) "Interested party" means a person or entity whose rights, privileges, or interests are the subject of or are directly affected by a regulatory, quasi-adjudicatory, investment, or licensing matter. For purposes of an ex parte communication received by either the Illinois Commerce Commission or the Illinois Power Agency, "interested party" also includes: (1) an organization comprised of 2 or more businesses, persons, nonprofit entities, or any combination thereof, that are working in concert to advance public policy advocated by the organization, or (2) any party selling renewable energy resources procured by the Illinois Power Agency pursuant to Section 16-111.5 of the Public Utilities Act and Section 1-75 of the Illinois Power Agency Act.

(e) This Section applies to the following agencies:

Executive Ethics Commission

Illinois Commerce Commission

Illinois Power Agency

Educational Labor Relations Board

State Board of Elections

Illinois Gaming Board

Health Facilities and Services Review Board

Illinois Workers' Compensation Commission

Illinois Labor Relations Board

Illinois Liquor Control Commission

Pollution Control Board

Property Tax Appeal Board

Illinois Racing Board

Illinois Purchased Care Review Board

Department of State Police Merit Board

Motor Vehicle Review Board

Prisoner Review Board

Civil Service Commission

Personnel Review Board for the Treasurer

Merit Commission for the Secretary of State

Merit Commission for the Office of the Comptroller

Court of Claims

Board of Review of the Department of Employment Security

Department of Insurance

Department of Professional Regulation and licensing boards

under the Department
Department of Public Health and licensing boards under the Department
Office of Banks and Real Estate and licensing boards under the Office
State Employees Retirement System Board of Trustees
Judges Retirement System Board of Trustees
General Assembly Retirement System Board of Trustees
Illinois Board of Investment
State Universities Retirement System Board of Trustees
Teachers Retirement System Officers Board of Trustees

(f) Any person who fails to (i) report an ex parte communication to an ethics officer, (ii) make information part of the record, or (iii) make a filing with the Executive Ethics Commission as required by this Section or as required by Section 5-165 of the Illinois Administrative Procedure Act violates this Act.

(Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

Section 90-15. The Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois is amended by adding Section 605-1075 as follows:

(20 ILCS 605/605-1075 new)

Sec. 605-1075. Energy Transition Assistance Fund.

(a) The General Assembly hereby declares that management

of several economic development programs requires a consolidated funding source to improve resource efficiency. The General Assembly specifically recognizes that properly serving communities and workers impacted by the energy transition requires that the Department of Commerce and Economic Opportunity have access to the resources required for the execution of the programs for workforce and contractor development, just transition investments and community support, and the implementation and administration of energy and justice efforts by the State.

(b) The Department shall be responsible for the administration of the Energy Transition Assistance Fund and shall allocate funding on the basis of priorities established in this Section. Each year, the Department shall determine the available amount of resources in the Fund that can be allocated to the programs identified in this Section, and allocate the funding accordingly. The Department shall, to the extent practical, consider both the short-term and long-term costs of the programs and allocate funding so that the Department is able to cover both the short-term and long-term costs of these programs using projected revenue.

The available funding for each year shall be allocated from the Fund in the following order of priority:

(1) for costs related to the Clean Jobs Workforce Network Program, up to $21,000,000 annually prior to June 1, 2023 and $24,333,333 annually thereafter;

(2) for costs related to the Clean Energy Contractor Incubator Program, up to $21,000,000 annually;

(3) for costs related to the Clean Energy Primes Contractor Accelerator Program, up to $9,000,000 annually;

(4) for costs related to the Barrier Reduction Program, up to $21,000,000 annually;

(5) for costs related to the Jobs and Environmental Justice Grant Program, up to $34,000,000 annually;

(6) for costs related to the Returning Residents Clean Jobs Training Program, up to $6,000,000 annually;

(7) for costs related to Energy Transition Navigators, up to $6,000,000 annually;

(8) for costs related to the Illinois Climate Works Preapprenticeship Program, up to $10,000,000 annually;

(9) for costs related to Energy Transition Community Support Grants, up to $40,000,000 annually;

(10) for costs related to the Displaced Energy Worker Dependent Scholarship, upon request by the Illinois Student Assistance Commission, up to $1,100,000 annually;

(11) up to $10,000,000 annually shall be transferred to the Public Utilities Fund for use by the Illinois Commerce Commission for costs of administering the changes made to the Public Utilities Act by this amendatory Act of the 102nd General Assembly;

(12) up to $4,000,000 annually shall be transferred to the Illinois Power Agency Operations Fund for use by the

Illinois Power Agency; and

(13) for costs related to the Clean Energy Jobs and Justice Fund, up to $1,000,000 annually.

The Department is authorized to utilize up to 10% of the Energy Transition Assistance Fund for administrative and operational expenses to implement the requirements of this Act.

(c) Within 30 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility serving more than 500,000 customers in the State shall report to the Department its total kilowatt-hours of energy delivered during the 12 months ending on the immediately preceding May 31. By October 31, 2021 and each October 31 thereafter, each electric utility serving more than 500,000 customers in the State shall report to the Department its total kilowatt-hours of energy delivered during the 12 months ending on the immediately preceding May 31.

(d) The Department shall, within 60 days after the effective date of this amendatory Act of the 102nd General Assembly:

(1) determine the amount necessary, but not more than $180,000,000, to meet the funding needs of the programs reliant upon the Energy Transition Assistance Fund as a revenue source for the period between the effective date of this amendatory Act of the 102nd General Assembly and December 31, 2021;

(2) determine, based on the kilowatt-hour deliveries for the 12 months ending May 31, 2021 reported by the electric utilities under subsection (c), the total energy transition assistance charge to be allocated to each electric utility for the period between the effective date of this amendatory Act of the 102nd General Assembly and December 31, 2021; and

(3) report the total energy transition assistance charge applicable until December 31, 2021 to each electric utility serving more than 500,000 customers in the State and the Illinois Commerce Commission for purposes of filing the tariff pursuant to Section 16-108.30 of the Public Utilities Act.

(e) The Department shall by November 30, 2021, and each November 30 thereafter:

(1) determine the amount necessary, but not more than $180,000,000, to meet the funding needs of the programs reliant upon the Energy Transition Assistance Fund as a revenue source for the immediately following calendar year;

(2) determine, based on the kilowatt-hour deliveries for the 12 months ending on the immediately preceding May 31 reported to it by the electric utilities under subsection (c), the total energy transition assistance charge to be allocated to each electric utility for the immediately following calendar year; and

(3) report the energy transition assistance charge applicable for the immediately following calendar year to each electric utility serving more than 500,000 customers in the State and the Illinois Commerce Commission for purposes of filing the tariff pursuant to Section 16-108.30 of the Public Utilities Act.

(f) The energy transition assistance charge may not exceed $180,000,000 annually. If, at the end of the calendar year, any surplus remains in the Energy Transition Assistance Fund, the Department may allocate the surplus from the fund in the following order of priority:

(1) for costs related to the development of the Stretch Energy Codes and other standards at the Capital Development Board, up to $500,000 annually, at the request of the Board;

(2) up to $7,000,000 annually shall be transferred to the Energy Efficiency Trust Fund and Clean Air Act Permit Fund for use by the Environmental Protection Agency for costs related to energy efficiency and weatherization, and costs of implementation, administration, and enforcement of the Clean Air Act; and

(3) for costs related to State fleet electrification at the Department of Central Management Services, up to $10,000,000 annually, at the request of the Department.

Section 90-20. The Electric Vehicle Act is amended by

changing Section 15 and by adding Sections 40, 45, 50, 55, and 60 as follows:

(20 ILCS 627/15)

Sec. 15. Electric Vehicle Coordinator. The Governor, with the advice and consent of the Senate, shall appoint a person within the Illinois Environmental Protection Agency ~~Department of Commerce and Economic Opportunity~~ to serve as the Electric Vehicle Coordinator for the State of Illinois. This person may be an existing employee with other duties. The Coordinator shall act as a point person for electric vehicle-related and electric vehicle charging-related ~~electric vehicle related~~ policies and activities in Illinois, including, but not limited to, the issuance of electric vehicle rebates for consumers and electric vehicle charging rebates for organizations and companies.

(Source: P.A. 97-89, eff. 7-11-11.)

(20 ILCS 627/40 new)

Sec. 40. Rulemaking; resources. The Agency shall adopt rules as necessary and dedicate sufficient resources to implement Sections 45 and 55.

(20 ILCS 627/45 new)

Sec. 45. Beneficial electrification.

(a) It is the intent of the General Assembly to decrease

reliance on fossil fuels, reduce pollution from the transportation sector, increase access to electrification for all consumers, and ensure that electric vehicle adoption and increased electricity usage and demand do not place significant additional burdens on the electric system and create benefits for Illinois residents.

(1) Illinois should increase the adoption of electric vehicles in the State to 1,000,000 by 2030.

(2) Illinois should strive to be the best state in the nation in which to drive and manufacture electric vehicles.

(3) Widespread adoption of electric vehicles is necessary to electrify the transportation sector, diversify the transportation fuel mix, drive economic development, and protect air quality.

(4) Accelerating the adoption of electric vehicles will drive the decarbonization of Illinois' transportation sector.

(5) Expanded infrastructure investment will help Illinois more rapidly decarbonize the transportation sector.

(6) Statewide adoption of electric vehicles requires increasing access to electrification for all consumers.

(7) Widespread adoption of electric vehicles requires increasing public access to charging equipment throughout Illinois, especially in low-income and environmental

justice communities, where levels of air pollution burden tend to be higher.

(8) Widespread adoption of electric vehicles and charging equipment has the potential to provide customers with fuel cost savings and electric utility customers with cost-saving benefits.

(9) Widespread adoption of electric vehicles can improve an electric utility's electric system efficiency and operational flexibility, including the ability of the electric utility to integrate renewable energy resources and make use of off-peak generation resources that support the operation of charging equipment.

(10) Widespread adoption of electric vehicles should stimulate innovation, competition, and increased choices in charging equipment and networks and should also attract private capital investments and create high-quality jobs in Illinois.

(b) As used in this Section:

"Agency" means the Environmental Protection Agency.

"Beneficial electrification programs" means programs that lower carbon dioxide emissions, replace fossil fuel use, create cost savings, improve electric grid operations, reduce increases to peak demand, improve electric usage load shape, and align electric usage with times of renewable generation. All beneficial electrification programs shall provide for incentives such that customers are induced to use electricity

at times of low overall system usage or at times when generation from renewable energy sources is high. "Beneficial electrification programs" include a portfolio of the following:

(1) time-of-use electric rates;

(2) hourly pricing electric rates;

(3) optimized charging programs or programs that encourage charging at times beneficial to the electric grid;

(4) optional demand-response programs specifically related to electrification efforts;

(5) incentives for electrification and associated infrastructure tied to using electricity at off-peak times;

(6) incentives for electrification and associated infrastructure targeted to medium-duty and heavy-duty vehicles used by transit agencies;

(7) incentives for electrification and associated infrastructure targeted to school buses;

(8) incentives for electrification and associated infrastructure for medium-duty and heavy-duty government and private fleet vehicles;

(9) low-income programs that provide access to electric vehicles for communities where car ownership or new car ownership is not common;

(10) incentives for electrification in eligible

communities;

(11) incentives or programs to enable quicker adoption of electric vehicles by developing public charging stations in dense areas, workplaces, and low-income communities;

(12) incentives or programs to develop electric vehicle infrastructure that minimizes range anxiety, filling the gaps in deployment, particularly in rural areas and along highway corridors;

(13) incentives to encourage the development of electrification and renewable energy generation in close proximity in order to reduce grid congestion;

(14) offer support to low-income communities who are experiencing financial and accessibility barriers such that electric vehicle ownership is not an option; and

(15) other such programs as defined by the Commission.

"Black, indigenous, and people of color" or "BIPOC" means people who are members of the groups described in subparagraphs (a) through (e) of paragraph (A) of subsection (1) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Commission" means the Illinois Commerce Commission.

"Coordinator" means the Electric Vehicle Coordinator.

"Electric vehicle" means a vehicle that is exclusively powered by and refueled by electricity, must be plugged in to charge, and is licensed to drive on public roadways. "Electric

vehicle" does not include electric motorcycles or hybrid electric vehicles and extended-range electric vehicles that are also equipped with conventional fueled propulsion or auxiliary engines.

"Electric vehicle charging station" means a station that delivers electricity from a source outside an electric vehicle into one or more electric vehicles.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its program administrator in the Illinois Solar for All Program.

"Equity investment eligible community" or "eligible community" means the geographic areas throughout Illinois which would most benefit from equitable investments by the State designed to combat discrimination and foster sustainable economic growth. Specifically, "eligible community" means the following areas:

(1) areas where residents have been historically excluded from economic opportunities, including opportunities in the energy sector, as defined pursuant to Section 10-40 of the Cannabis Regulation and Tax Act; and

(2) areas where residents have been historically subject to disproportionate burdens of pollution, including pollution from the energy sector, as established by environmental justice communities as defined by the Illinois Power Agency pursuant to Illinois Power Agency

Act, excluding any racial or ethnic indicators.

"Equity investment eligible person" or "eligible person" means the persons who would most benefit from equitable investments by the State designed to combat discrimination and foster sustainable economic growth. Specifically, "eligible person" means the following people:

(1) persons whose primary residence is in an equity investment eligible community;

(2) persons who are graduates of or currently enrolled in the foster care system; or

(3) persons who were formerly incarcerated.

"Low-income" means persons and families whose income does not exceed 80% of the state median income for the current State fiscal year as established by the U.S. Department of Health and Human Services.

"Make-ready infrastructure" means the electrical and construction work necessary between the distribution circuit to the connection point of charging equipment.

"Optimized charging programs" mean programs whereby owners of electric vehicles can set their vehicles to be charged based on the electric system's current demand, retail or wholesale market rates, incentives, the carbon or other pollution intensity of the electric generation mix, the provision of grid services, efficient use of the electric grid, or the availability of clean energy generation. Optimized charging programs may be operated by utilities as

well as third parties.

(c) The Commission shall initiate a workshop process no later than November 30, 2021 for the purpose of soliciting input on the design of beneficial electrification programs that the utility shall offer. The workshop shall be coordinated by the Staff of the Commission, or a facilitator retained by Staff, and shall be organized and facilitated in a manner that encourages representation from diverse stakeholders, including stakeholders representing environmental justice and low-income communities, and ensures equitable opportunities for participation, without requiring formal intervention or representation by an attorney.

The stakeholder workshop process shall take into consideration the benefits of electric vehicle adoption and barriers to adoption, including:

(1) the benefit of lower bills for customers who do not charge electric vehicles;

(2) benefits to the distribution system from electric vehicle usage;

(3) the avoidance and reduction in capacity costs from optimized charging and off-peak charging;

(4) energy price and cost reductions;

(5) environmental benefits, including greenhouse gas emission and other pollution reductions;

(6) current barriers to mass-market adoption, including cost of ownership and availability of charging

stations;

(7) current barriers to increasing access among populations that have limited access to electric vehicle ownership, communities significantly impacted by transportation-related pollution, and market segments that create disproportionate pollution impacts;

(8) benefits of and incentives for medium-duty and heavy-duty fleet vehicle electrification;

(9) opportunities for eligible communities to benefit from electrification;

(10) geographic areas and market segments that should be prioritized for electrification infrastructure investment.

The workshops shall consider barriers, incentives, enabling rate structures, and other opportunities for the bill reduction and environmental benefits described in this subsection.

The workshop process shall conclude no later than February 28, 2022. Following the workshop, the Staff of the Commission, or the facilitator retained by the Staff, shall prepare and submit a report, no later than March 31, 2022, to the Commission that includes, but is not limited to, recommendations for transportation electrification investment or incentives in the following areas:

(i) publicly accessible Level 2 and fast-charging stations, with a focus on bringing access to

transportation electrification in densely populated areas and workplaces within eligible communities;

(ii) medium-duty and heavy-duty charging infrastructure used by government and private fleet vehicles that serve or travel through environmental justice or eligible communities;

(iii) medium-duty and heavy-duty charging infrastructure used in school bus operations, whether private or public, that primarily serve governmental or educational institutions, and also serve or travel through environmental justice or eligible communities;

(iv) public transit medium-duty and heavy-duty charging infrastructure, developed in consultation with public transportation agencies; and

(v) publicly accessible Level 2 and fast-charging stations targeted to fill gaps in deployment, particularly in rural areas and along State highway corridors.

The report must also identify the participants in the process, program designs proposed during the process, estimates of the costs and benefits of proposed programs, any material issues that remained unresolved at the conclusions of such process, and any recommendations for workshop process improvements. The report shall be used by the Commission to inform and evaluate the cost effectiveness and achievement of goals within the submitted Beneficial Electrification Plans.

(d) No later than July 1, 2022, electric utilities serving

greater than 500,000 customers in the State shall file a Beneficial Electrification Plan with the Illinois Commerce Commission for programs that start no later than January 1, 2023. The plan shall take into consideration recommendations from the workshop report described in this Section. Within 45 days after the filing of the Beneficial Electrification Plan, the Commission shall, with reasonable notice, open an investigation to consider whether the plan meets the objectives and contains the information required by this Section. The Commission shall determine if the proposed plan is cost-beneficial and in the public interest. When considering if the plan is in the public interest and determining appropriate levels of cost recovery for investments and expenditures related to programs proposed by an electric utility, the Commission shall consider whether the investments and other expenditures are designed and reasonably expected to:

(1) maximize total energy cost savings and rate reductions so that nonparticipants can benefit;

(2) address environmental justice interests by ensuring there are significant opportunities for residents and businesses in eligible communities to directly participate in and benefit from beneficial electrification programs;

(3) support at least a 40% investment of make-ready infrastructure incentives to facilitate the rapid

deployment of charging equipment in or serving environmental justice, low-income, and eligible communities; however, nothing in this subsection is intended to require a specific amount of spending in a particular geographic area;

(4) support at least a 5% investment target in electrifying medium-duty and heavy-duty school bus and diesel public transportation vehicles located in or serving environmental justice, low-income, and eligible communities in order to provide those communities and businesses with greater economic investment, transportation opportunities, and a cleaner environment so they can directly benefit from transportation electrification efforts; however, nothing in this subsection is intended to require a specific amount of spending in a particular geographic area;

(5) stimulate innovation, competition, private investment, and increased consumer choices in electric vehicle charging equipment and networks;

(6) contribute to the reduction of carbon emissions and meeting air quality standards, including improving air quality in eligible communities who disproportionately suffer from emissions from the medium-duty and heavy-duty transportation sector;

(7) support the efficient and cost-effective use of the electric grid in a manner that supports electric

vehicle charging operations; and

(8) provide resources to support private investment in charging equipment for uses in public and private charging applications, including residential, multi-family, fleet, transit, community, and corridor applications.

The plan shall be determined to be cost-beneficial if the total cost of beneficial electrification expenditures is less than the net present value of increased electricity costs (defined as marginal avoided energy, avoided capacity, and avoided transmission and distribution system costs) avoided by programs under the plan, the net present value of reductions in other customer energy costs, net revenue from all electric charging in the service territory, and the societal value of reduced carbon emissions and surface-level pollutants, particularly in environmental justice communities. The calculation of costs and benefits should be based on net impacts, including the impact on customer rates.

The Commission shall approve, approve with modifications, or reject the plan within 270 days from the date of filing. The Commission may approve the plan if it finds that the plan will achieve the goals described in this Section and contains the information described in this Section. Proceedings under this Section shall proceed according to the rules provided by Article IX of the Public Utilities Act. Information contained in the approved plan shall be considered part of the record in any Commission proceeding under Section 16-107.6 of the Public

Utilities Act, provided that a final order has not been entered prior to the initial filing date. The Beneficial Electrification Plan shall specifically address, at a minimum, the following:

(i) make-ready investments to facilitate the rapid deployment of charging equipment throughout the State, facilitate the electrification of public transit and other vehicle fleets in the light-duty, medium-duty, and heavy-duty sectors, and align with Agency-issued rebates for charging equipment;

(ii) the development and implementation of beneficial electrification programs, including time-of-use rates and their benefit for electric vehicle users and for all customers, optimized charging programs to achieve savings identified, and new contracts and compensation for services in those programs, through signals that allow electric vehicle charging to respond to local system conditions, manage critical peak periods, serve as a demand response or peak resource, and maximize renewable energy use and integration into the grid;

(iii) optional commercial tariffs utilizing alternatives to traditional demand-based rate structures to facilitate charging for light duty, heavy duty, and fleet electric vehicles;

(iv) financial and other challenges to electric vehicle usage in low-income communities, and strategies

for overcoming those challenges, particularly in communities and for people for whom car ownership is not an option;

(v) methods of minimizing ratepayer impacts and exempting or minimizing, to the extent possible, low-income ratepayers from the costs associated with facilitating the expansion of electric vehicle charging;

(vi) plans to increase access to Level 3 Public Electric Vehicle Charging Infrastructure to serve vehicles that need quicker charging times and vehicles of persons who have no other access to charging infrastructure, regardless of whether those projects participate in optimized charging programs;

(vii) whether to establish charging standards for type of plugs eligible for investment or incentive programs, and if so, what standards;

(viii) opportunities for coordination and cohesion with electric vehicle and electric vehicle charging equipment incentives established by any agency, department, board, or commission of the State, any other unit of government in the State, any national programs, or any unit of the federal government;

(ix) ideas for the development of online tools, applications, and data sharing that provide essential information to those charging electric vehicles, and enable an automated charging response to price signals,

emission signals, real-time renewable generation production, and other Commission-approved or customer-desired indicators of beneficial charging times; and

(x) customer education, outreach, and incentive programs that increase awareness of the programs and the benefits of transportation electrification, including direct outreach to eligible communities;

(e) Proceedings under this Section shall proceed according to the rules provided by Article IX of the Public Utilities Act. Information contained in the approved plan shall be considered part of the record in any Commission proceeding under Section 16-107.6 of the Public Utilities Act, provided that a final order has not been entered prior to the initial filing date.

(f) The utility shall file an update to the plan on July 1, 2024 and every 3 years thereafter. This update shall describe transportation investments made during the prior plan period, investments planned for the following 24 months, and updates to the information required by this Section. Beginning with the first update, the utility shall develop the plan in conjunction with the distribution system planning process described in Section 16-105.17, including incorporation of stakeholder feedback from that process.

(g) Within 35 days after the utility files its report, the Commission shall, upon its own initiative, open an

investigation regarding the utility's plan update to investigate whether the objectives described in this Section are being achieved. The Commission shall determine whether investment targets should be increased based on achievement of spending goals outlined in the Beneficial Electrification Plan and consistency with outcomes directed in the plan stakeholder workshop report. If the Commission finds, after notice and hearing, that the utility's plan is materially deficient, the Commission shall issue an order requiring the utility to devise a corrective action plan, subject to Commission approval, to bring the plan into compliance with the goals of this Section. The Commission's order shall be entered within 270 days after the utility files its annual report. The contents of a plan filed under this Section shall be available for evidence in Commission proceedings. However, omission from an approved plan shall not render any future utility expenditure to be considered unreasonable or imprudent. The Commission may, upon sufficient evidence, allow expenditures that were not part of any particular distribution plan. The Commission shall consider revenues from electric vehicles in the utility's service territory in evaluating the retail rate impact. The retail rate impact from the development of electric vehicle infrastructure shall not exceed 1% per year of the total annual revenue requirements of the utility.

(h) In meeting the requirements of this Section, the utility shall demonstrate efforts to increase the use of

contractors and electric vehicle charging station installers that meet multiple workforce equity actions, including, but not limited to:

(1) the business is headquartered in or the person resides in an eligible community;

(2) the business is majority owned by eligible person or the contractor is an eligible person;

(3) the business or person is certified by another municipal, State, federal, or other certification for disadvantaged businesses;

(4) the business or person meets the eligibility criteria for a certification program such as:

(A) certified under Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act;

(B) certified by another municipal, State, federal, or other certification for disadvantaged businesses;

(C) submits an affidavit showing that the vendor meets the eligibility criteria for a certification program such as those in items (A) and (B); or

(D) if the vendor is a nonprofit, meets any of the criteria in those in item (A), (B), or (C) with the exception that the nonprofit is not required to meet any criteria related to being a for-profit entity, or is controlled by a board of directors that consists of

51% or greater individuals who are equity investment eligible persons; or

(E) ensuring that program implementation contractors and electric vehicle charging station installers pay employees working on electric vehicle charging installations at or above the prevailing wage rate when such a wage rate has been published by the Department of Labor and pay employees working on energy efficiency programs at or above the median wage rate for a similar job description in the nearest metropolitan area when there is no applicable published prevailing wage rate.

If necessary, utilities may conduct surveys to establish the median wage rate for a given job description. Utilities shall establish reporting procedures for vendors that ensure compliance with this subsection, but are structured to avoid, wherever possible, placing an undue administrative burden on vendors.

(i) Program data collection.

(1) In order to ensure that the benefits provided to Illinois residents and business by the clean energy economy are equitably distributed across the State, it is necessary to accurately measure the applicants and recipients of this Program. The purpose of this paragraph is to require the implementing utilities to collect all data from Program applicants and beneficiaries to track

and improve equitable distribution of benefits across Illinois communities. The further purpose is to measure any potential impact of racial discrimination on the distribution of benefits and provide the utilities the information necessary to correct any discrimination through methods consistent with State and federal law.

(2) The implementing utilities shall collect demographic and geographic data for each applicant and each person or business awarded benefits or contracts under this Program.

(3) The implementing utilities shall collect the following information from applicants and Program or procurement beneficiaries where applicable:

(A) demographic information, including racial or ethnic identity for real persons employed, contracted, or subcontracted through the program;

(B) demographic information, including racial or ethnic identity of business owners;

(C) geographic location of the residency of real persons or geographic location of the headquarters for businesses; and

(D) any other information necessary for the purpose of achieving the purpose of this paragraph.

(4) The utility shall publish, at least annually, aggregated information on the demographics of program and procurement applicants and beneficiaries. The utilities

shall protect personal and confidential business information as necessary.

(5) The utilities shall conduct a regular review process to confirm the accuracy of reported data.

(6) On a quarterly basis, utilities shall collect data necessary to ensure compliance with this Section and shall communicate progress toward compliance to program implementation contractors and electric vehicle charging station installation vendors.

(7) Utilities filing Beneficial Electrification Plans under this Section shall report annually to the Illinois Commerce Commission and the General Assembly on how hiring, contracting, job training, and other practices related to its Beneficial electrification programs enhance the diversity of vendors working on such programs. These reports must include data on vendor and employee diversity.

(j) The provisions of this Section are severable under Section 1.31 of the Statute on Statutes.

(20 ILCS 627/55 new)

Sec. 55. Charging rebate program.

(a) In order to substantially offset the installation costs of electric vehicle charging infrastructure, beginning July 1, 2022, and continuing as long as funds are available, the Agency shall issue rebates, consistent with the

Commission-approved Beneficial Electrification Plans in accordance with Section 45, to public and private organizations and companies to install and maintain Level 2 or Level 3 charging stations.

(b) The Agency shall award rebates or grants that fund up to 80% of the cost of the installation of charging stations. The Agency shall award additional incentives per port for every charging station installed in an eligible community and every charging station located to support eligible persons. In order to be eligible to receive a rebate or grant, the organization or company must submit an application to the Agency and commit to paying the prevailing wage for the installation project. The Agency shall by rule provide application and other programmatic details and requirements, including additional incentives for eligible communities. The Agency may determine per port or project caps based on a review of best practices and stakeholder engagement. The Agency shall accept applications on a rolling basis and shall award rebates or grants within 60 days of each application. The Agency may not award rebates or grants to an organization or company that does not pay the prevailing wage for the installation of a charging station for which it seeks a rebate or grant.

(20 ILCS 627/60 new)

Sec. 60. Study on loss infrastructure funds and replacement options. The Illinois Department of Transportation

shall conduct a study to be delivered to the members of the Illinois General Assembly and made available to the public no later than September 30, 2022. The study shall consider how the proliferation of electric vehicles will adversely affect resources needed for transportation infrastructure and take into consideration any relevant federal actions. The study shall identify the potential revenue loss and offer multiple options for replacing those lost revenues. The Illinois Department of Transportation shall collaborate with organizations representing businesses involved in designing and building transportation infrastructure, organized labor, the general business community, and users of the system. In addition, the Illinois Department of Transportation may collaborate with other state agencies, including but not limited to the Illinois Secretary of State and the Illinois Department of Revenue.

This Section is repealed on January 1, 2024.

Section 90-23. The Illinois Enterprise Zone Act is amended by changing Section 5.5 as follows:

(20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

Sec. 5.5. High Impact Business.

(a) In order to respond to unique opportunities to assist in the encouragement, development, growth, and expansion of the private sector through large scale investment and

development projects, the Department is authorized to receive and approve applications for the designation of "High Impact Businesses" in Illinois subject to the following conditions:

(1) such applications may be submitted at any time during the year;

(2) such business is not located, at the time of designation, in an enterprise zone designated pursuant to this Act;

(3) the business intends to do one or more of the following:

(A) the business intends to make a minimum investment of $12,000,000 which will be placed in service in qualified property and intends to create 500 full-time equivalent jobs at a designated location in Illinois or intends to make a minimum investment of $30,000,000 which will be placed in service in qualified property and intends to retain 1,500 full-time retained jobs at a designated location in Illinois. The business must certify in writing that the investments would not be placed in service in qualified property and the job creation or job retention would not occur without the tax credits and exemptions set forth in subsection (b) of this Section. The terms "placed in service" and "qualified property" have the same meanings as described in subsection (h) of Section 201 of the Illinois Income

Tax Act; or

(B) the business intends to establish a new electric generating facility at a designated location in Illinois. "New electric generating facility", for purposes of this Section, means a newly-constructed electric generation plant or a newly-constructed generation capacity expansion at an existing electric generation plant, including the transmission lines and associated equipment that transfers electricity from points of supply to points of delivery, and for which such new foundation construction commenced not sooner than July 1, 2001. Such facility shall be designed to provide baseload electric generation and shall operate on a continuous basis throughout the year; and (i) shall have an aggregate rated generating capacity of at least 1,000 megawatts for all new units at one site if it uses natural gas as its primary fuel and foundation construction of the facility is commenced on or before December 31, 2004, or shall have an aggregate rated generating capacity of at least 400 megawatts for all new units at one site if it uses coal or gases derived from coal as its primary fuel and shall support the creation of at least 150 new Illinois coal mining jobs, or (ii) shall be funded through a federal Department of Energy grant before December 31, 2010 and shall support the creation of

Illinois coal-mining jobs, or (iii) shall use coal gasification or integrated gasification-combined cycle units that generate electricity or chemicals, or both, and shall support the creation of Illinois coal-mining jobs. The business must certify in writing that the investments necessary to establish a new electric generating facility would not be placed in service and the job creation in the case of a coal-fueled plant would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(B-5) the business intends to establish a new gasification facility at a designated location in Illinois. As used in this Section, "new gasification facility" means a newly constructed coal gasification facility that generates chemical feedstocks or transportation fuels derived from coal (which may include, but are not limited to, methane, methanol, and nitrogen fertilizer), that supports the creation or retention of Illinois coal-mining jobs, and that qualifies for financial assistance from the Department before December 31, 2010. A new gasification facility does not include a pilot project located within Jefferson County or within a county adjacent to

Jefferson County for synthetic natural gas from coal; or

(C) the business intends to establish production operations at a new coal mine, re-establish production operations at a closed coal mine, or expand production at an existing coal mine at a designated location in Illinois not sooner than July 1, 2001; provided that the production operations result in the creation of 150 new Illinois coal mining jobs as described in subdivision (a)(3)(B) of this Section, and further provided that the coal extracted from such mine is utilized as the predominant source for a new electric generating facility. The business must certify in writing that the investments necessary to establish a new, expanded, or reopened coal mine would not be placed in service and the job creation would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(D) the business intends to construct new transmission facilities or upgrade existing transmission facilities at designated locations in Illinois, for which construction commenced not sooner than July 1, 2001. For the purposes of this Section,

"transmission facilities" means transmission lines with a voltage rating of 115 kilovolts or above, including associated equipment, that transfer electricity from points of supply to points of delivery and that transmit a majority of the electricity generated by a new electric generating facility designated as a High Impact Business in accordance with this Section. The business must certify in writing that the investments necessary to construct new transmission facilities or upgrade existing transmission facilities would not be placed in service without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(E) the business intends to establish a new wind power facility at a designated location in Illinois. For purposes of this Section, "new wind power facility" means a newly constructed electric generation facility, or a newly constructed expansion of an existing electric generation facility, placed in service on or after July 1, 2009, that generates electricity using wind energy devices, and such facility shall be deemed to include all associated transmission lines, substations, and other equipment

related to the generation of electricity from wind energy devices. For purposes of this Section, "wind energy device" means any device, with a nameplate capacity of at least 0.5 megawatts, that is used in the process of converting kinetic energy from the wind to generate electricity; or

(E-5) the business intends to establish a new utility-scale solar facility at a designated location in Illinois. For purposes of this Section, "new utility-scale solar power facility" means a newly constructed electric generation facility, or a newly constructed expansion of an existing electric generation facility, placed in service on or after July 1, 2021, that (i) generates electricity using photovoltaic cells and (ii) has a nameplate capacity that is greater than 5,000 kilowatts, and such facility shall be deemed to include all associated transmission lines, substations, energy storage facilities, and other equipment related to the generation and storage of electricity from photovoltaic cells; or

(F) the business commits to (i) make a minimum investment of $500,000,000, which will be placed in service in a qualified property, (ii) create 125 full-time equivalent jobs at a designated location in Illinois, (iii) establish a fertilizer plant at a

designated location in Illinois that complies with the set-back standards as described in Table 1: Initial Isolation and Protective Action Distances in the 2012 Emergency Response Guidebook published by the United States Department of Transportation, (iv) pay a prevailing wage for employees at that location who are engaged in construction activities, and (v) secure an appropriate level of general liability insurance to protect against catastrophic failure of the fertilizer plant or any of its constituent systems; in addition, the business must agree to enter into a construction project labor agreement including provisions establishing wages, benefits, and other compensation for employees performing work under the project labor agreement at that location; for the purposes of this Section, "fertilizer plant" means a newly constructed or upgraded plant utilizing gas used in the production of anhydrous ammonia and downstream nitrogen fertilizer products for resale; for the purposes of this Section, "prevailing wage" means the hourly cash wages plus fringe benefits for training and apprenticeship programs approved by the U.S. Department of Labor, Bureau of Apprenticeship and Training, health and welfare, insurance, vacations and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work

of a similar character on public works; this paragraph (F) applies only to businesses that submit an application to the Department within 60 days after July 25, 2013 (the effective date of Public Act 98-109) ~~this amendatory Act of the 98th General Assembly~~; and

(4) no later than 90 days after an application is submitted, the Department shall notify the applicant of the Department's determination of the qualification of the proposed High Impact Business under this Section.

(b) Businesses designated as High Impact Businesses pursuant to subdivision (a)(3)(A) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 9-222 and Section 9-222.1A of the Public Utilities Act, subsection (h) of Section 201 of the Illinois Income Tax Act, and Section 1d of the Retailers' Occupation Tax Act; provided that these credits and exemptions described in these Acts shall not be authorized until the minimum investments set forth in subdivision (a)(3)(A) of this Section have been placed in service in qualified properties and, in the case of the exemptions described in the Public Utilities Act and Section 1d of the Retailers' Occupation Tax Act, the minimum full-time equivalent jobs or full-time retained jobs set forth in subdivision (a)(3)(A) of this Section have been created or retained. Businesses designated as High Impact Businesses under this Section shall also

qualify for the exemption described in Section 5l of the Retailers' Occupation Tax Act. The credit provided in subsection (h) of Section 201 of the Illinois Income Tax Act shall be applicable to investments in qualified property as set forth in subdivision (a)(3)(A) of this Section.

(b-5) Businesses designated as High Impact Businesses pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C), and (a)(3)(D) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 51 of the Retailers' Occupation Tax Act, Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act; however, the credits and exemptions authorized under Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act shall not be authorized until the new electric generating facility, the new gasification facility, the new transmission facility, or the new, expanded, or reopened coal mine is operational, except that a new electric generating facility whose primary fuel source is natural gas is eligible only for the exemption under Section 5l of the Retailers' Occupation Tax Act.

(b-6) Businesses designated as High Impact Businesses pursuant to subdivision (a)(3)(E) of this Section shall qualify for the exemptions described in Section 5l of the Retailers' Occupation Tax Act; any business so designated as a High Impact Business being, for purposes of this Section, a

"Wind Energy Business".

(b-7) Beginning on January 1, 2021, businesses designated as High Impact Businesses by the Department shall qualify for the High Impact Business construction jobs credit under subsection (h-5) of Section 201 of the Illinois Income Tax Act if the business meets the criteria set forth in subsection (i) of this Section. The total aggregate amount of credits awarded under the Blue Collar Jobs Act (Article 20 of Public Act 101-9 ~~this amendatory Act of the 101st General Assembly~~) shall not exceed $20,000,000 in any State fiscal year.

(c) High Impact Businesses located in federally designated foreign trade zones or sub-zones are also eligible for additional credits, exemptions and deductions as described in the following Acts: Section 9-221 and Section 9-222.1 of the Public Utilities Act; and subsection (g) of Section 201, and Section 203 of the Illinois Income Tax Act.

(d) Except for businesses contemplated under subdivision (a)(3)(E) of this Section, existing Illinois businesses which apply for designation as a High Impact Business must provide the Department with the prospective plan for which 1,500 full-time retained jobs would be eliminated in the event that the business is not designated.

(e) Except for new wind power facilities contemplated under subdivision (a)(3)(E) of this Section, new proposed facilities which apply for designation as High Impact Business must provide the Department with proof of alternative

non-Illinois sites which would receive the proposed investment and job creation in the event that the business is not designated as a High Impact Business.

(f) Except for businesses contemplated under subdivision (a)(3)(E) of this Section, in the event that a business is designated a High Impact Business and it is later determined after reasonable notice and an opportunity for a hearing as provided under the Illinois Administrative Procedure Act, that the business would have placed in service in qualified property the investments and created or retained the requisite number of jobs without the benefits of the High Impact Business designation, the Department shall be required to immediately revoke the designation and notify the Director of the Department of Revenue who shall begin proceedings to recover all wrongfully exempted State taxes with interest. The business shall also be ineligible for all State funded Department programs for a period of 10 years.

(g) The Department shall revoke a High Impact Business designation if the participating business fails to comply with the terms and conditions of the designation. However, the penalties for new wind power facilities or Wind Energy Businesses for failure to comply with any of the terms or conditions of the Illinois Prevailing Wage Act shall be only those penalties identified in the Illinois Prevailing Wage Act, and the Department shall not revoke a High Impact Business designation as a result of the failure to comply with

any of the terms or conditions of the Illinois Prevailing Wage Act in relation to a new wind power facility or a Wind Energy Business.

(h) Prior to designating a business, the Department shall provide the members of the General Assembly and Commission on Government Forecasting and Accountability with a report setting forth the terms and conditions of the designation and guarantees that have been received by the Department in relation to the proposed business being designated.

(i) High Impact Business construction jobs credit. Beginning on January 1, 2021, a High Impact Business may receive a tax credit against the tax imposed under subsections (a) and (b) of Section 201 of the Illinois Income Tax Act in an amount equal to 50% of the amount of the incremental income tax attributable to High Impact Business construction jobs credit employees employed in the course of completing a High Impact Business construction jobs project. However, the High Impact Business construction jobs credit may equal 75% of the amount of the incremental income tax attributable to High Impact Business construction jobs credit employees if the High Impact Business construction jobs credit project is located in an underserved area.

The Department shall certify to the Department of Revenue: (1) the identity of taxpayers that are eligible for the High Impact Business construction jobs credit; and (2) the amount of High Impact Business construction jobs credits that are

claimed pursuant to subsection (h-5) of Section 201 of the Illinois Income Tax Act in each taxable year. Any business entity that receives a High Impact Business construction jobs credit shall maintain a certified payroll pursuant to subsection (j) of this Section.

As used in this subsection (i):

"High Impact Business construction jobs credit" means an amount equal to 50% (or 75% if the High Impact Business construction project is located in an underserved area) of the incremental income tax attributable to High Impact Business construction job employees. The total aggregate amount of credits awarded under the Blue Collar Jobs Act (Article 20 of Public Act 101-9 ~~this amendatory Act of the 101st General Assembly~~) shall not exceed $20,000,000 in any State fiscal year

"High Impact Business construction job employee" means a laborer or worker who is employed by an Illinois contractor or subcontractor in the actual construction work on the site of a High Impact Business construction job project.

"High Impact Business construction jobs project" means building a structure or building or making improvements of any kind to real property, undertaken and commissioned by a business that was designated as a High Impact Business by the Department. The term "High Impact Business construction jobs project" does not include the routine operation, routine repair, or routine maintenance of existing structures,

buildings, or real property.

"Incremental income tax" means the total amount withheld during the taxable year from the compensation of High Impact Business construction job employees.

"Underserved area" means a geographic area that meets one or more of the following conditions:

(1) the area has a poverty rate of at least 20% according to the latest federal decennial census;

(2) 75% or more of the children in the area participate in the federal free lunch program according to reported statistics from the State Board of Education;

(3) at least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program (SNAP); or

(4) the area has an average unemployment rate, as determined by the Illinois Department of Employment Security, that is more than 120% of the national unemployment average, as determined by the U.S. Department of Labor, for a period of at least 2 consecutive calendar years preceding the date of the application.

(j) Each contractor and subcontractor who is engaged in and executing a High Impact Business Construction jobs project, as defined under subsection (i) of this Section, for a business that is entitled to a credit pursuant to subsection (i) of this Section shall:

(1) make and keep, for a period of 5 years from the

date of the last payment made on or after June 5, 2021 (the effective date of Public Act 101-9) ~~this amendatory Act of the 101st General Assembly~~ on a contract or subcontract for a High Impact Business Construction Jobs Project, records for all laborers and other workers employed by the contractor or subcontractor on the project; the records shall include:

(A) the worker's name;

(B) the worker's address;

(C) the worker's telephone number, if available;

(D) the worker's social security number;

(E) the worker's classification or classifications;

(F) the worker's gross and net wages paid in each pay period;

(G) the worker's number of hours worked each day;

(H) the worker's starting and ending times of work each day;

(I) the worker's hourly wage rate; and

(J) the worker's hourly overtime wage rate;

(2) no later than the 15th day of each calendar month, provide a certified payroll for the immediately preceding month to the taxpayer in charge of the High Impact Business construction jobs project; within 5 business days after receiving the certified payroll, the taxpayer shall file the certified payroll with the Department of Labor

and the Department of Commerce and Economic Opportunity; a certified payroll must be filed for only those calendar months during which construction on a High Impact Business construction jobs project has occurred; the certified payroll shall consist of a complete copy of the records identified in paragraph (1) of this subsection (j), but may exclude the starting and ending times of work each day; the certified payroll shall be accompanied by a statement signed by the contractor or subcontractor or an officer, employee, or agent of the contractor or subcontractor which avers that:

(A) he or she has examined the certified payroll records required to be submitted by the Act and such records are true and accurate; and

(B) the contractor or subcontractor is aware that filing a certified payroll that he or she knows to be false is a Class A misdemeanor.

A general contractor is not prohibited from relying on a certified payroll of a lower-tier subcontractor, provided the general contractor does not knowingly rely upon a subcontractor's false certification.

Any contractor or subcontractor subject to this subsection, and any officer, employee, or agent of such contractor or subcontractor whose duty as an officer, employee, or agent it is to file a certified payroll under this subsection, who willfully fails to file such a certified

payroll on or before the date such certified payroll is required by this paragraph to be filed and any person who willfully files a false certified payroll that is false as to any material fact is in violation of this Act and guilty of a Class A misdemeanor.

The taxpayer in charge of the project shall keep the records submitted in accordance with this subsection on or after June 5, 2021 (the effective date of Public Act 101-9) ~~this amendatory Act of the 101st General Assembly~~ for a period of 5 years from the date of the last payment for work on a contract or subcontract for the High Impact Business construction jobs project.

The records submitted in accordance with this subsection shall be considered public records, except an employee's address, telephone number, and social security number, and made available in accordance with the Freedom of Information Act. The Department of Labor shall accept any reasonable submissions by the contractor that meet the requirements of this subsection (j) and shall share the information with the Department in order to comply with the awarding of a High Impact Business construction jobs credit. A contractor, subcontractor, or public body may retain records required under this Section in paper or electronic format.

(k) Upon 7 business days' notice, each contractor and subcontractor shall make available for inspection and copying at a location within this State during reasonable hours, the

records identified in this subsection (j) to the taxpayer in charge of the High Impact Business construction jobs project, its officers and agents, the Director of the Department of Labor and his or her deputies and agents, and to federal, State, or local law enforcement agencies and prosecutors.
(Source: P.A. 101-9, eff. 6-5-19; revised 7-12-19.)

Section 90-24. The Department of Labor Law of the Civil Administrative Code of Illinois is amended by changing Section 1505-215 and by adding Section 1505-220 as follows:

(20 ILCS 1505/1505-215)

Sec. 1505-215. Bureau on Apprenticeship Programs and Clean Energy Jobs ~~; Advisory Board~~.

(a) For purposes of this Section:

"Clean energy jobs" means jobs in the clean energy sector. "Clean energy jobs" includes constructing, development, planning, administrative, sales, and other support functions within these industries.

"Clean energy sector" means solar energy, wind energy, energy efficiency, solar thermal, green hydrogen, geothermal, and electric vehicle industries and other renewable energy industries, industries achieving emission reductions, and related industries that manufacture, develop, build, maintain, or provide ancillary services to renewable energy resources or energy efficiency products or services, including the

manufacture and installation of healthier building materials that contain fewer hazardous chemicals.

(b) There is created within the Department of Labor a Bureau on Apprenticeship Programs and Clean Energy Jobs. This Bureau shall work to increase minority participation in active apprentice programs in Illinois that are approved by the United States Department of Labor and in clean energy jobs in Illinois. The Bureau shall identify barriers to minorities gaining access to construction careers and careers in clean energy jobs and make recommendations to the Governor and the General Assembly for policies to remove those barriers. The Department may hire staff to perform outreach in promoting diversity in active apprenticeship programs approved by the United States Department of Labor and compile reports and diversity, equity, and inclusion plans for clean energy sector jobs. The Bureau and the Department shall coordinate with the Department of Commerce and Economic Opportunity, Energy Workforce Advisory Council, and the Energy Transition Navigators in its efforts to compile information and remove barriers to participation in clean energy jobs.

(c) The Bureau shall annually compile racial and gender workforce diversity information from contractors receiving State or other public funds and by labor unions with members working on projects receiving State or other public funds that are not otherwise subject to subsection (d).

(d) The Bureau shall compile racial and gender workforce

diversity information from certified transcripts of payroll reports filed in the preceding year pursuant to the Prevailing Wage Act for all clean energy sector construction projects. The Bureau shall also compile racial and gender workforce diversity information from all corporations, nonprofits, developers, contractors, and other entities receiving State or other public funds for projects in the clean energy sector. The Bureau shall work with the Department of Commerce and Economic Opportunity, the Illinois Power Agency, the Illinois Commerce Commission, and other agencies, as necessary, to receive and share data and reporting on racial and gender workforce diversity, demographic data, and any other data necessary to achieve the goals of this Section. The Bureau shall work with the Department of Commerce and Economic Opportunity to review the workforce recruiting and hiring database developed in accordance with subsection (c-25) of Section 1-75 of the Illinois Power Agency Act to verify equitable recruiting and hiring practices by contractors and employers in clean energy jobs.

(e) By April 15, 2022 and every April 15 thereafter, the Bureau shall publish and make available on the Department's website a report summarizing the racial and gender diversity of the workforce on all clean energy sector projects by county. The report shall use a consistent structure for information requests and presentation, with an easy-to-use table of contents, to enable comparable year-over-year

solicitation and benchmarking of data. The development of the report structure shall be open to a public review and comment period. That report shall compare the race, ethnicity, and gender of the workers on clean energy projects to the general population of the county in which the project is located. The report shall also disaggregate such data to compare the race, ethnicity, and gender of workers employed by union and nonunion contractors and compare the race, ethnicity, and gender of workers who reside in Illinois and those who reside outside of Illinois. The report shall also include the race, ethnicity, and gender of the workers by prevailing wage classification.

(f) If the race, ethnicity, and gender of the workforce on a clean energy sector project does not meet or exceed that of the general population of the county in which the project is located or, in the case of a project in which any of the workers are represented by a union, the geographic jurisdiction of that union, the Bureau shall request a written explanation from the contractors that employed workers on such project and any unions representing those workers, as applicable. If deemed necessary by the Bureau, the contractors and any unions representing workers on such project shall be required by the Bureau to develop a plan to increase diversity, equity, and inclusion on future clean energy sector projects in that county or, in the case of a union, the geographic jurisdiction covered by the union. The plan should

include: (i) areas of work and clean energy jobs each entity will actively seek more participation in during the next year; (ii) an outline of the plan to alert and encourage potential workers to seek clean energy jobs; (iii) an explanation of the challenges faced in finding quality workers and suggestions for what the Bureau could do to aid in identifying potential workers; (iv) a list of certifications, if any, the entity requires for workers to obtain clean energy jobs; (v) the point of contact for any potential worker seeking a clean energy job or other opportunity with the entity; and (vi) any success stories to encourage other entities to emulate the best practices.

The Bureau and all entities subject to the requirements of subsection (d) shall hold an annual workshop open to the public in 2022 and every year thereafter on the state of racial and gender workforce diversity in the clean energy sector in order to collaboratively seek solutions to structural impediments to achieving diversity, equity, and inclusion goals, including testimony from each participating entity, subject matter experts, and advocates.

(g) The Bureau shall publish each annual report prepared and filed pursuant to subsection (d) on the Department of Labor's website for at least 5 years.

(Source: P.A. 101-170, eff. 1-1-20; 101-601, eff. 1-1-20; revised 10-22-20.)

(20 ILCS 1505/1505-220 new)

Sec. 1505-220. Small Clean Energy Contractor Prevailing Wage Act Assistance. The General Assembly finds that small clean energy businesses, especially those in or serving underserved or historically disinvested communities, need assistance and resources to help them comply with the Prevailing Wage Act. Therefore, the Department of Labor shall develop and administer a statewide program to assist small clean energy contractors in administering and complying with the Prevailing Wage Act requirements. This Program shall provide training and ongoing technical assistance pertaining to compliance with the Prevailing Wage Act, including certified payroll reporting requirements. Ongoing assistance shall include, but is not limited to, answering contractor questions, recommending tools and process improvements, establishing an account with and utilizing the Certified Transcript of Payroll Portal and alerting businesses when certified payroll reports are incomplete or incorrect, building administrative expertise within individual businesses, and any other assistance businesses identify as needed based on verbal or other input. All Program training, technical assistance, materials, services, and systems shall be structured to accommodate and address real-world circumstances encountered by small clean energy contractors; shall be developed, refined, and adjusted as necessary in consultation with such contractors; and shall be administered

to serve businesses that operate in languages other than English and do so at a level of service equivalent to that offered to businesses that operate in English. The Department may enter into agreements with contractors with experience in supporting small businesses in underserved or historically disinvested communities to implement portions or all of the program, ensuring such capacity is developed in northern, central, and southern Illinois regions. The Department shall communicate and market program services to small clean energy contractors statewide, and may do so in coordination with the Department of Commerce and Economic Opportunity.

Section 90-25. The Energy Efficient Building Act is amended by changing Sections 10, 15, 20, 30, 40, and 45 and by adding Section 55 as follows:

(20 ILCS 3125/10)

Sec. 10. Definitions.

"Board" means the Capital Development Board.

"Building" includes both residential buildings and commercial buildings.

"Code" means the latest published edition of the International Code Council's International Energy Conservation Code as adopted by the Board, including any published supplements adopted by the Board and any amendments and adaptations to the Code that are made by the Board.

"Commercial building" means any building except a building that is a residential building, as defined in this Section.

"Department" means the Department of Commerce and Economic Opportunity.

"Municipality" means any city, village, or incorporated town.

"Residential building" means (i) a detached one-family or 2-family dwelling or (ii) any building that is 3 stories or less in height above grade that contains multiple dwelling units, in which the occupants reside on a primarily permanent basis, such as a townhouse, a row house, an apartment house, a convent, a monastery, a rectory, a fraternity or sorority house, a dormitory, and a rooming house; provided, however, that when applied to a building located within the boundaries of a municipality having a population of 1,000,000 or more, the term "residential building" means a building containing one or more dwelling units, not exceeding 4 stories above grade, where occupants are primarily permanent.

"Site energy index" means a scalar published by the Pacific Northwest National Laboratories representing the ratio of the site energy performance of an evaluated code compared to the site energy performance of the 2006 International Energy Conservation Code. A "site energy index" includes only conservation measures and excludes net energy credit for any on-site or off-site energy production.

(Source: P.A. 101-144, eff. 7-26-19.)

(20 ILCS 3125/15)

Sec. 15. Energy Efficient Building Code. The Board, in consultation with the Department, shall adopt the Code as minimum requirements for commercial buildings, applying to the construction of, renovations to, and additions to all commercial buildings in the State. The Board, in consultation with the Department, shall also adopt the Code as the minimum and maximum requirements for residential buildings, applying to the construction of, renovations to, and additions to all residential buildings in the State, except as provided for in Section 45 of this Act. The Board may appropriately adapt the International Energy Conservation Code to apply to the particular economy, population distribution, geography, and climate of the State and construction therein, consistent with the public policy objectives of this Act.

(Source: P.A. 96-778, eff. 8-28-09.)

(20 ILCS 3125/20)

Sec. 20. Applicability.

(a) The Board shall review and adopt the Code within one year after its publication. The Code shall take effect within 6 months after it is adopted by the Board, except that, beginning January 1, 2012, the Code adopted in 2012 shall take effect on January 1, 2013. Except as otherwise provided in this Act, the Code shall apply to (i) any new building or

structure in this State for which a building permit application is received by a municipality or county and (ii) beginning on the effective date of this amendatory Act of the 100th General Assembly, each State facility specified in Section 4.01 of the Capital Development Board Act. In the case of any addition, alteration, renovation, or repair to an existing residential or commercial structure, the Code adopted under this Act applies only to the portions of that structure that are being added, altered, renovated, or repaired. The changes made to this Section by this amendatory Act of the 97th General Assembly shall in no way invalidate or otherwise affect contracts entered into on or before the effective date of this amendatory Act of the 97th General Assembly.

(b) The following buildings shall be exempt from the Code:

(1) Buildings otherwise exempt from the provisions of a locally adopted building code and buildings that do not contain a conditioned space.

(2) Buildings that do not use either electricity or fossil fuel for comfort conditioning. For purposes of determining whether this exemption applies, a building will be presumed to be heated by electricity, even in the absence of equipment used for electric comfort heating, whenever the building is provided with electrical service in excess of 100 amps, unless the code enforcement official determines that this electrical service is necessary for purposes other than providing electric

comfort heating.

(3) Historic buildings. This exemption shall apply to those buildings that are listed on the National Register of Historic Places or the Illinois Register of Historic Places, and to those buildings that have been designated as historically significant by a local governing body that is authorized to make such designations.

(4) (Blank).

(5) Other buildings specified as exempt by the International Energy Conservation Code.

(c) Additions, alterations, renovations, or repairs to an existing building, building system, or portion thereof shall conform to the provisions of the Code as they relate to new construction without requiring the unaltered portion of the existing building or building system to comply with the Code. The following need not comply with the Code, provided that the energy use of the building is not increased: (i) storm windows installed over existing fenestration, (ii) glass-only replacements in an existing sash and frame, (iii) existing ceiling, wall, or floor cavities exposed during construction, provided that these cavities are filled with insulation, and (iv) construction where the existing roof, wall, or floor is not exposed.

(d) A unit of local government that does not regulate energy efficient building standards is not required to adopt, enforce, or administer the Code; however, any energy efficient

building standards adopted by a unit of local government must comply with this Act. If a unit of local government does not regulate energy efficient building standards, any construction, renovation, or addition to buildings or structures is subject to the provisions contained in this Act.
(Source: P.A. 100-729, eff. 8-3-18.)

(20 ILCS 3125/30)

Sec. 30. Enforcement. The Board, in consultation with the Department, shall determine procedures for compliance with the Code. These procedures may include but need not be limited to certification by a national, State, or local accredited energy conservation program or inspections from private Code-certified inspectors using the Code. For purposes of the Illinois Stretch Energy Code under Section 55, the Board shall allow and encourage, as an alternative compliance mechanism, project certification by a nationally recognized nonprofit certification organization specializing in high-performance passive buildings and offering climate-specific building energy standards that require equal or better energy performance than the Illinois Stretch Energy Code.
(Source: P.A. 93-936, eff. 8-13-04.)

(20 ILCS 3125/40)

Sec. 40. Input from interested parties. When developing Code adaptations, rules, and procedures for compliance with

the Code, the Capital Development Board shall seek input from representatives from the building trades, design professionals, construction professionals, code administrators, and other interested entities affected. Any board or group that the Capital Development Board seeks input from must include the following:

(i) a representative from a group that represents environmental justice;

(ii) a representative of a nonprofit or professional association advocating for the environment;

(iii) an energy-efficiency advocate with technical expertise in single-family residential buildings;

(iv) an energy-efficiency advocate with technical expertise in commercial buildings; and

(v) an energy-efficiency advocate with technical expertise in multifamily buildings, such as an affordable housing developer.

(Source: P.A. 99-639, eff. 7-28-16.)

(20 ILCS 3125/45)

Sec. 45. Home rule.

(a) (Blank). ~~No unit of local government, including any home rule unit, may regulate energy efficient building standards for commercial buildings in a manner that is less stringent than the provisions contained in this Act.~~

(b) No unit of local government, including any home rule

unit, may regulate energy efficient building standards for residential buildings in a manner that is either less or more stringent than the standards established pursuant to this Act; provided, however, that the following entities may regulate energy efficient building standards for residential or commercial buildings in a manner that is more stringent than the provisions contained in this Act: (i) a unit of local government, including a home rule unit, that has, on or before May 15, 2009, adopted or incorporated by reference energy efficient building standards for residential or commercial buildings that are equivalent to or more stringent than the 2006 International Energy Conservation Code, (ii) a unit of local government, including a home rule unit, that has, on or before May 15, 2009, provided to the Capital Development Board, as required by Section 10.18 of the Capital Development Board Act, an identification of an energy efficient building code or amendment that is equivalent to or more stringent than the 2006 International Energy Conservation Code, (ii-5) a municipality that has adopted the Illinois Stretch Energy Code, and (iii) a municipality with a population of 1,000,000 or more.

(c) No unit of local government, including any home rule unit or unit of local government that is subject to State regulation under the Code as provided in Section 15 of this Act, may hereafter enact any annexation ordinance or resolution, or require or enter into any annexation agreement,

that imposes energy efficient building standards for residential or commercial buildings that are either less or more stringent than the energy efficiency standards in effect, at the time of construction, throughout the unit of local government, except for the Illinois Stretch Energy Code.

(d) This Section is a denial and limitation of home rule powers and functions under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State. Nothing in this Section, however, prevents a unit of local government from adopting an energy efficiency code or standards for commercial buildings that are more stringent than the Code under this Act.

(e) A unit of local government requiring the Illinois Stretch Energy Code must do so with the adoption of the Code by its governing body.

(Source: P.A. 99-639, eff. 7-28-16.)

(20 ILCS 3125/55 new)

Sec. 55. Illinois Stretch Energy Code.

(a) The Board, in consultation with the Department, shall create and adopt the Illinois Stretch Energy Code, to allow municipalities and projects authorized or funded by the Board to achieve more energy efficiency in buildings than the Illinois Energy Conservation Code through a consistent pathway across the State. The Illinois Stretch Energy Code shall be

available for adoption by any municipality and shall set minimum energy efficiency requirements, taking the place of the Illinois Energy Conservation Code within any municipality that adopts the Illinois Stretch Energy Code.

(b) The Illinois Stretch Energy Code shall have separate components for commercial and residential buildings, which may be adopted by the municipality jointly or separately.

(c) The Illinois Stretch Energy Code shall apply to all projects to which an energy conservation code is applicable that are authorized or funded in any part by the Board after January 1, 2023.

(d) Development of the Illinois Stretch Energy Code shall be completed and available for adoption by municipalities by December 31, 2023.

(e) Consistent with the requirements under paragraph (2.5) of subsection (g) of Section 8-103B of the Public Utilities Act and under paragraph (2) of subsection (j) of Section 8-104 of the Public Utilities Act, municipalities may adopt the Illinois Stretch Energy Code and may use utility programs to support compliance with the Illinois Stretch Energy Code. The amount of savings from such utility efforts that may be counted toward achievement of their annual savings goals shall be based on reasonable estimates of the increase in savings resulting from the utility efforts, relative to reasonable approximations of what would have occurred absent the utility involvement.

(f) The Illinois Stretch Energy Code's residential components shall:

(1) apply to residential buildings as defined under Section 10;

(2) set performance targets using a site energy index with reductions relative to the 2006 International Energy Conservation Code; and

(3) include stretch energy codes with site energy index standards and adoption dates as follows: by no later than December 31, 2022, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.50 of the 2006 International Energy Conservation Code; by no later than December 31, 2025, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.40 of the 2006 International Energy Conservation Code, unless the Board identifies unanticipated burdens associated with the stretch energy code adopted in 2022, in which case the Board may adopt a stretch energy code with a site energy index no greater than 0.42 of the 2006 International Energy Conservation Code, provided that the more relaxed standard has a site energy index that is at least 0.05 more restrictive than the 2024 International Energy Conservation Code; by no later than December 31, 2028, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.33 of the 2006 International Energy

Conservation Code, unless the Board identifies unanticipated burdens associated with the stretch energy code adopted in 2025, in which case the Board may adopt a stretch energy code with a site energy index no greater than 0.35 of the 2006 International Energy Conservation Code, but only if that more relaxed standard has a site energy index that is at least 0.05 more restrictive than the 2027 International Energy Conservation Code; and by no later than December 31, 2031, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.25 of the 2006 International Energy Conservation Code.

(g) The Illinois Stretch Energy Code's commercial components shall:

(1) apply to commercial buildings as defined under Section 10;

(2) set performance targets using a site energy index with reductions relative to the 2006 International Energy Conservation Code; and

(3) include stretch energy codes with site energy index standards and adoption dates as follows: by no later than December 31, 2022, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.60 of the 2006 International Energy Conservation Code; by no later than December 31, 2025, the Board shall create and adopt a stretch energy code with a site energy

index no greater than 0.50 of the 2006 International Energy Conservation Code; by no later than December 31, 2028, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.44 of the 2006 International Energy Conservation Code; and by no later than December 31, 2031, the Board shall create and adopt a stretch energy code with a site energy index no greater than 0.39 of the 2006 International Energy Conservation Code.

(h) The process for the creation of the Illinois Stretch Energy Code includes:

(1) within 60 days after the effective date of this amendatory Act of the 102nd General Assembly, the Capital Development Board shall meet with the Illinois Energy Code Advisory Council to advise and provide technical assistance and recommendations to the Capital Development Board for the Illinois Stretch Energy Code, which shall:

(A) advise the Capital Development Board on creation of interim performance targets, code requirements, and an implementation plan for the Illinois Stretch Energy Code;

(B) recommend amendments to proposed rules issued by the Capital Development Board;

(C) recommend complementary programs or policies;

(D) complete recommendations and development for the Illinois Stretch Energy Code elements and

requirements by July 31, 2022;

(2) As part of its deliberations, the Illinois Energy Code Advisory Council shall actively solicit input from other energy code stakeholders and interested parties.

Section 90-30. The Illinois Power Agency Act is amended by changing Sections 1-5, 1-10, 1-20, 1-35, 1-56, 1-70, 1-75, 1-92, and 1-125 and by adding Section 1-128 as follows:

(20 ILCS 3855/1-5)

Sec. 1-5. Legislative declarations and findings. The General Assembly finds and declares:

(1) The health, welfare, and prosperity of all Illinois residents ~~citizens~~ require the provision of adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability.

(1.5) To provide the highest quality of life for the residents of Illinois and to provide for a clean and healthy environment, it is the policy of this State to rapidly transition to 100% clean energy by 2050.

(2) (Blank).

(3) (Blank).

(4) It is necessary to improve the process of procuring electricity to serve Illinois residents, to

promote investment in energy efficiency and demand-response measures, and to maintain and support development of clean coal technologies, generation resources that operate at all hours of the day and under all weather conditions, zero emission facilities, and renewable resources.

(5) Procuring a diverse electricity supply portfolio will ensure the lowest total cost over time for adequate, reliable, efficient, and environmentally sustainable electric service.

(6) Including renewable resources and zero emission credits from zero emission facilities in that portfolio will reduce long-term direct and indirect costs to consumers by decreasing environmental impacts and by avoiding or delaying the need for new generation, transmission, and distribution infrastructure. Developing new renewable energy resources in Illinois, including brownfield solar projects and community solar projects, will help to diversify Illinois electricity supply, avoid and reduce pollution, reduce peak demand, and enhance public health and well-being of Illinois residents.

(7) Developing community solar projects in Illinois will help to expand access to renewable energy resources to more Illinois residents.

(8) Developing brownfield solar projects in Illinois will help return blighted or contaminated land to

productive use while enhancing public health and the well-being of Illinois residents, including those in environmental justice communities.

(9) Energy efficiency, demand-response measures, zero emission energy, and renewable energy are resources currently underused in Illinois. These resources should be used, when cost effective, to reduce costs to consumers, improve reliability, and improve environmental quality and public health.

(10) The State should encourage the use of advanced clean coal technologies that capture and sequester carbon dioxide emissions to advance environmental protection goals and to demonstrate the viability of coal and coal-derived fuels in a carbon-constrained economy.

(10.5) The State should encourage the development of interregional high voltage direct current (HVDC) transmission lines that benefit Illinois. All ratepayers in the State served by the regional transmission organization where the HVDC converter station is interconnected benefit from the long-term price stability and market access provided by interregional HVDC transmission facilities. The benefits to Illinois include: reduction in wholesale power prices; access to lower-cost markets; enabling the integration of additional renewable generating units within the State through near instantaneous dispatchability and the provision of

ancillary services; creating good-paying union jobs in Illinois; and, enhancing grid reliability and climate resilience via HVDC facilities that are installed underground.

(10.6) The health, welfare, and safety of the people of the State are advanced by developing new HVDC transmission lines predominantly along transportation rights-of-way, with an HVDC converter station that is located in the service territory of a public utility as defined in Section 3-105 of the Public Utilities Act serving more than 3,000,000 retail customers, and with a project labor agreement as defined in Section 1-10 of this Act.

(11) The General Assembly enacted Public Act 96-0795 to reform the State's purchasing processes, recognizing that government procurement is susceptible to abuse if structural and procedural safeguards are not in place to ensure independence, insulation, oversight, and transparency.

(12) The principles that underlie the procurement reform legislation apply also in the context of power purchasing.

(13) To ensure that the benefits of installing renewable resources are available to all Illinois residents and located across the State, subject to appropriation, it is necessary for the Agency to provide

public information and educational resources on how residents can benefit from the expansion of renewable energy in Illinois and participate in the Illinois Solar for All Program established in Section 1-56, the Adjustable Block program established in Section 1-75, the job training programs established by paragraph (1) of subsection (a) of Section 16-108.12 of the Public Utilities Act, and the programs and resources established by the Energy Transition Act.

The General Assembly therefore finds that it is necessary to create the Illinois Power Agency and that the goals and objectives of that Agency are to accomplish each of the following:

(A) Develop electricity procurement plans to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability, for electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois and for small multi-jurisdictional electric utilities that (i) on December 31, 2005 served less than 100,000 customers in Illinois and (ii) request a procurement plan for their Illinois jurisdictional load. The procurement plan shall be updated on an annual basis and shall include renewable energy resources and, beginning with the delivery year commencing June 1, 2017,

zero emission credits from zero emission facilities sufficient to achieve the standards specified in this Act.

(B) Conduct the competitive procurement processes identified in this Act.

(C) Develop electric generation and co-generation facilities that use indigenous coal or renewable resources, or both, financed with bonds issued by the Illinois Finance Authority.

(D) Supply electricity from the Agency's facilities at cost to one or more of the following: municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois.

(E) Ensure that the process of power procurement is conducted in an ethical and transparent fashion, immune from improper influence.

(F) Continue to review its policies and practices to determine how best to meet its mission of providing the lowest cost power to the greatest number of people, at any given point in time, in accordance with applicable law.

(G) Operate in a structurally insulated, independent, and transparent fashion so that nothing impedes the Agency's mission to secure power at the best prices the market will bear, provided that the Agency meets all applicable legal requirements.

(H) Implement renewable energy procurement and training programs throughout the State to diversify

Illinois electricity supply, improve reliability, avoid and reduce pollution, reduce peak demand, and enhance public health and well-being of Illinois residents, including low-income residents.

(Source: P.A. 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-10)

Sec. 1-10. Definitions.

"Agency" means the Illinois Power Agency.

"Agency loan agreement" means any agreement pursuant to which the Illinois Finance Authority agrees to loan the proceeds of revenue bonds issued with respect to a project to the Agency upon terms providing for loan repayment installments at least sufficient to pay when due all principal of, interest and premium, if any, on those revenue bonds, and providing for maintenance, insurance, and other matters in respect of the project.

"Authority" means the Illinois Finance Authority.

"Brownfield site photovoltaic project" means photovoltaics that are either:

(1) interconnected to an electric utility as defined in this Section, a municipal utility as defined in this Section, a public utility as defined in Section 3-105 of the Public Utilities Act, or an electric cooperative~~,~~ as defined in Section 3-119 of the Public Utilities Act~~;~~ and ~~(2)~~ located at a site that is regulated by any of the

following entities under the following programs:

(A) the United States Environmental Protection Agency under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended;

(B) the United States Environmental Protection Agency under the Corrective Action Program of the federal Resource Conservation and Recovery Act, as amended;

(C) the Illinois Environmental Protection Agency under the Illinois Site Remediation Program; or

(D) the Illinois Environmental Protection Agency under the Illinois Solid Waste Program; or.

(2) located at the site of a coal mine that has permanently ceased coal production, permanently halted any re-mining operations, and is no longer accepting any coal combustion residues; has both completed all clean-up and remediation obligations under the federal Surface Mining and Reclamation Act of 1977 and all applicable Illinois rules and any other clean-up, remediation, or ongoing monitoring to safeguard the health and well-being of the people of the State of Illinois, as well as demonstrated compliance with all applicable federal and State environmental rules and regulations, including, but not limited, to 35 Ill. Adm. Code Part 845 and any rules for historic fill of coal combustion residuals, including any

rules finalized in Subdocket A of Illinois Pollution Control Board docket R2020-019.

"Clean coal facility" means an electric generating facility that uses primarily coal as a feedstock and that captures and sequesters carbon dioxide emissions at the following levels: at least 50% of the total carbon dioxide emissions that the facility would otherwise emit if, at the time construction commences, the facility is scheduled to commence operation before 2016, at least 70% of the total carbon dioxide emissions that the facility would otherwise emit if, at the time construction commences, the facility is scheduled to commence operation during 2016 or 2017, and at least 90% of the total carbon dioxide emissions that the facility would otherwise emit if, at the time construction commences, the facility is scheduled to commence operation after 2017. The power block of the clean coal facility shall not exceed allowable emission rates for sulfur dioxide, nitrogen oxides, carbon monoxide, particulates and mercury for a natural gas-fired combined-cycle facility the same size as and in the same location as the clean coal facility at the time the clean coal facility obtains an approved air permit. All coal used by a clean coal facility shall have high volatile bituminous rank and greater than 1.7 pounds of sulfur per million btu content, unless the clean coal facility does not use gasification technology and was operating as a conventional coal-fired electric generating facility on June

1, 2009 (the effective date of Public Act 95-1027).

"Clean coal SNG brownfield facility" means a facility that (1) has commenced construction by July 1, 2015 on an urban brownfield site in a municipality with at least 1,000,000 residents; (2) uses a gasification process to produce substitute natural gas; (3) uses coal as at least 50% of the total feedstock over the term of any sourcing agreement with a utility and the remainder of the feedstock may be either petroleum coke or coal, with all such coal having a high bituminous rank and greater than 1.7 pounds of sulfur per million Btu content unless the facility reasonably determines that it is necessary to use additional petroleum coke to deliver additional consumer savings, in which case the facility shall use coal for at least 35% of the total feedstock over the term of any sourcing agreement; and (4) captures and sequesters at least 85% of the total carbon dioxide emissions that the facility would otherwise emit.

"Clean coal SNG facility" means a facility that uses a gasification process to produce substitute natural gas, that sequesters at least 90% of the total carbon dioxide emissions that the facility would otherwise emit, that uses at least 90% coal as a feedstock, with all such coal having a high bituminous rank and greater than 1.7 pounds of sulfur per million btu content, and that has a valid and effective permit to construct emission sources and air pollution control equipment and approval with respect to the federal regulations

for Prevention of Significant Deterioration of Air Quality (PSD) for the plant pursuant to the federal Clean Air Act; provided, however, a clean coal SNG brownfield facility shall not be a clean coal SNG facility.

"Clean energy" means energy generation that is 90% or greater free of carbon dioxide emissions.

"Commission" means the Illinois Commerce Commission.

"Community renewable generation project" means an electric generating facility that:

(1) is powered by wind, solar thermal energy, photovoltaic cells or panels, biodiesel, crops and untreated and unadulterated organic waste biomass, ~~tree waste,~~ and hydropower that does not involve new construction or significant expansion of hydropower dams;

(2) is interconnected at the distribution system level of an electric utility as defined in this Section, a municipal utility as defined in this Section that owns or operates electric distribution facilities, a public utility as defined in Section 3-105 of the Public Utilities Act, or an electric cooperative, as defined in Section 3-119 of the Public Utilities Act;

(3) credits the value of electricity generated by the facility to the subscribers of the facility; and

(4) is limited in nameplate capacity to less than or equal to 5,000 ~~2,000~~ kilowatts.

"Costs incurred in connection with the development and

construction of a facility" means:

(1) the cost of acquisition of all real property, fixtures, and improvements in connection therewith and equipment, personal property, and other property, rights, and easements acquired that are deemed necessary for the operation and maintenance of the facility;

(2) financing costs with respect to bonds, notes, and other evidences of indebtedness of the Agency;

(3) all origination, commitment, utilization, facility, placement, underwriting, syndication, credit enhancement, and rating agency fees;

(4) engineering, design, procurement, consulting, legal, accounting, title insurance, survey, appraisal, escrow, trustee, collateral agency, interest rate hedging, interest rate swap, capitalized interest, contingency, as required by lenders, and other financing costs, and other expenses for professional services; and

(5) the costs of plans, specifications, site study and investigation, installation, surveys, other Agency costs and estimates of costs, and other expenses necessary or incidental to determining the feasibility of any project, together with such other expenses as may be necessary or incidental to the financing, insuring, acquisition, and construction of a specific project and starting up, commissioning, and placing that project in operation.

"Delivery services" has the same definition as found in

Section 16-102 of the Public Utilities Act.

"Delivery year" means the consecutive 12-month period beginning June 1 of a given year and ending May 31 of the following year.

"Department" means the Department of Commerce and Economic Opportunity.

"Director" means the Director of the Illinois Power Agency.

"Demand-response" means measures that decrease peak electricity demand or shift demand from peak to off-peak periods.

"Distributed renewable energy generation device" means a device that is:

(1) powered by wind, solar thermal energy, photovoltaic cells or panels, biodiesel, crops and untreated and unadulterated organic waste biomass, tree waste, and hydropower that does not involve new construction or significant expansion of hydropower dams, waste heat to power systems, or qualified combined heat and power systems;

(2) interconnected at the distribution system level of either an electric utility as defined in this Section, a municipal utility as defined in this Section that owns or operates electric distribution facilities, or a rural electric cooperative as defined in Section 3-119 of the Public Utilities Act;

(3) located on the customer side of the customer's electric meter and is primarily used to offset that customer's electricity load; and

(4) (blank). ~~limited in nameplate capacity to less than or equal to 2,000 kilowatts.~~

"Energy efficiency" means measures that reduce the amount of electricity or natural gas consumed in order to achieve a given end use. "Energy efficiency" includes voltage optimization measures that optimize the voltage at points on the electric distribution voltage system and thereby reduce electricity consumption by electric customers' end use devices. "Energy efficiency" also includes measures that reduce the total Btus of electricity, natural gas, and other fuels needed to meet the end use or uses.

"Electric utility" has the same definition as found in Section 16-102 of the Public Utilities Act.

"Equitable Energy Future Certification" and "EEFC" are synonymous and mean a certification provided to an applicant by the Illinois Power Agency where an applicant commits that a project will meet one or more of the following criteria: (i) more than 50% of the work on the project have or will be performed by eligible persons; or (ii) more than 50% of the work on the project have or will be done by equity eligible contractors. The Agency will establish Equitable Energy Future Certification standards for entities where certification by individual project is infeasible, which can include

certification of a portfolio of projects if an entity can demonstrate consistent EEFC eligibility across that portfolio.

"Equity investment eligible community" or "eligible community" are synonymous and mean the geographic areas throughout Illinois which would most benefit from equitable investments by the State designed to combat discrimination. Specifically, the eligible communities shall be defined as the following areas:

(1) R3 Areas as established pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, where residents have historically been excluded from economic opportunities, including opportunities in the energy sector; and

(2) Environmental justice communities, as defined by the Illinois Power Agency pursuant to the Illinois Power Agency Act, where residents have historically been subject to disproportionate burdens of pollution, including pollution from the energy sector.

"Equity eligible persons" or "eligible persons" means persons who would most benefit from equitable investments by the State designed to combat discrimination, specifically:

(1) persons who graduate from or are current or former participants in the Clean Jobs Workforce Network Program, the Clean Energy Contractor Incubator Program, the Illinois Climate Works Preapprenticeship Program, Returning Residents Clean Jobs Training Program, or the

Clean Energy Primes Contractor Accelerator Program, and the solar training pipeline and multi-cultural jobs program created in paragraphs (a)(1) and (a)(3) of Section 16-108.21 of the Public Utilities Act;

(2) persons who are graduates of or currently enrolled in the foster care system;

(3) persons who were formerly incarcerated;

(4) persons whose primary residence is in an equity investment eligible community.

"Equity eligible contractor" means a business that is majority-owned by eligible persons, or a nonprofit or cooperative that is majority-governed by eligible persons, or is a natural person that is an eligible person offering personal services as an independent contractor.

"Facility" means an electric generating unit or a co-generating unit that produces electricity along with related equipment necessary to connect the facility to an electric transmission or distribution system.

"General Contractor" means the entity or organization with main responsibility for the building of a construction project and who is the party signing the prime construction contract for the project.

"Governmental aggregator" means one or more units of local government that individually or collectively procure electricity to serve residential retail electrical loads located within its or their jurisdiction.

"High voltage direct current converter station" means the collection of equipment that converts direct current energy from a high voltage direct current transmission line into alternating current using Voltage Source Conversion technology and that is interconnected with transmission or distribution assets located in Illinois.

"High voltage direct current renewable energy credit" means a renewable energy credit associated with a renewable energy resource where the renewable energy resource has entered into a contract to transmit the energy associated with such renewable energy credit over high voltage direct current transmission facilities.

"High voltage direct current transmission facilities" means the collection of installed equipment that converts alternating current energy in one location to direct current and transmits that direct current energy to a high voltage direct current converter station using Voltage Source Conversion technology. "High voltage direct current transmission facilities" includes the high voltage direct current converter station itself and associated high voltage direct current transmission lines. Notwithstanding the preceding, an otherwise qualifying collection of equipment does not qualify as high voltage direct current transmission facilities unless its developer entered into a project labor agreement, is capable of transmitting electricity at 525kv with an Illinois converter station located and interconnected

in the region of the PJM Interconnection, LLC, and the system does not operate as a public utility, as that term is defined in Section 3-105 of the Public Utilities Act.

"Index price" means the real-time energy settlement price at the applicable Illinois trading hub, such as PJM-NIHUB or MISO-IL, for a given settlement period.

"Indexed renewable energy credit" means a tradable credit that represents the environmental attributes of one megawatt hour of energy produced from a renewable energy resource, the price of which shall be calculated by subtracting the strike price offered by a new utility-scale wind project or a new utility-scale photovoltaic project from the index price in a given settlement period.

"Indexed renewable energy credit counterparty" has the same meaning as "public utility" as defined in Section 3-105 of the Public Utilities Act.

"Local government" means a unit of local government as defined in Section 1 of Article VII of the Illinois Constitution.

"Municipality" means a city, village, or incorporated town.

"Municipal utility" means a public utility owned and operated by any subdivision or municipal corporation of this State.

"Nameplate capacity" means the aggregate inverter nameplate capacity in kilowatts AC.

"Person" means any natural person, firm, partnership, corporation, either domestic or foreign, company, association, limited liability company, joint stock company, or association and includes any trustee, receiver, assignee, or personal representative thereof.

"Project" means the planning, bidding, and construction of a facility.

"Project labor agreement" means a pre-hire collective bargaining agreement that covers all terms and conditions of employment on a specific construction project and must include the following:

(1) provisions establishing the minimum hourly wage for each class of labor organization employee;

(2) provisions establishing the benefits and other compensation for each class of labor organization employee;

(3) provisions establishing that no strike or disputes will be engaged in by the labor organization employees;

(4) provisions establishing that no lockout or disputes will be engaged in by the general contractor building the project; and

(5) provisions for minorities and women, as defined under the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, setting forth goals for apprenticeship hours to be performed by minorities and women and setting forth goals for total hours to be

performed by underrepresented minorities and women.

A labor organization and the general contractor building the project shall have the authority to include other terms and conditions as they deem necessary.

"Public utility" has the same definition as found in Section 3-105 of the Public Utilities Act.

"Qualified combined heat and power systems" means systems that, either simultaneously or sequentially, produce electricity and useful thermal energy from a single fuel source. Such systems are eligible for "renewable energy credits" in an amount equal to its total energy output where a renewable fuel is consumed or in an amount equal to the net reduction in nonrenewable fuel consumed on a total energy output basis.

"Real property" means any interest in land together with all structures, fixtures, and improvements thereon, including lands under water and riparian rights, any easements, covenants, licenses, leases, rights-of-way, uses, and other interests, together with any liens, judgments, mortgages, or other claims or security interests related to real property.

"Renewable energy credit" means a tradable credit that represents the environmental attributes of one megawatt hour of energy produced from a renewable energy resource.

"Renewable energy resources" includes energy and its associated renewable energy credit or renewable energy credits from wind, solar thermal energy, photovoltaic cells and

panels, biodiesel, anaerobic digestion, crops and untreated and unadulterated organic waste biomass, ~~tree waste,~~ and hydropower that does not involve new construction or significant expansion of hydropower dams, waste heat to power systems, or qualified combined heat and power systems. For purposes of this Act, landfill gas produced in the State is considered a renewable energy resource. "Renewable energy resources" does not include the incineration or burning of tires, garbage, general household, institutional, and commercial waste, industrial lunchroom or office waste, landscape waste ~~other than tree waste~~, railroad crossties, utility poles, or construction or demolition debris, other than untreated and unadulterated waste wood. "Renewable energy resources" also includes high voltage direct current renewable energy credits and the associated energy converted to alternating current by a high voltage direct current converter station to the extent that: (1) the generator of such renewable energy resource contracted with a third party to transmit the energy over the high voltage direct current transmission facilities, and (2) the third-party contracting for delivery of renewable energy resources over the high voltage direct current transmission facilities have ownership rights over the unretired associated high voltage direct current renewable energy credit.

"Retail customer" has the same definition as found in Section 16-102 of the Public Utilities Act.

"Revenue bond" means any bond, note, or other evidence of indebtedness issued by the Authority, the principal and interest of which is payable solely from revenues or income derived from any project or activity of the Agency.

"Seller" means the supplier of a renewable energy credit produced from a new utility-scale wind project or a new utility-scale photovoltaic project.

"Sequester" means permanent storage of carbon dioxide by injecting it into a saline aquifer, a depleted gas reservoir, or an oil reservoir, directly or through an enhanced oil recovery process that may involve intermediate storage, regardless of whether these activities are conducted by a clean coal facility, a clean coal SNG facility, a clean coal SNG brownfield facility, or a party with which a clean coal facility, clean coal SNG facility, or clean coal SNG brownfield facility has contracted for such purposes.

"Service area" has the same definition as found in Section 16-102 of the Public Utilities Act.

"Settlement period" means the period of time utilized by MISO and PJM and their successor organizations as the basis for settlement calculations in the real-time energy market.

"Sourcing agreement" means (i) in the case of an electric utility, an agreement between the owner of a clean coal facility and such electric utility, which agreement shall have terms and conditions meeting the requirements of paragraph (3) of subsection (d) of Section 1-75, (ii) in the case of an

alternative retail electric supplier, an agreement between the owner of a clean coal facility and such alternative retail electric supplier, which agreement shall have terms and conditions meeting the requirements of Section 16-115(d)(5) of the Public Utilities Act, and (iii) in case of a gas utility, an agreement between the owner of a clean coal SNG brownfield facility and the gas utility, which agreement shall have the terms and conditions meeting the requirements of subsection (h-1) of Section 9-220 of the Public Utilities Act.

"Strike price" means a contract price for energy and renewable energy credits from a new utility-scale wind project or a new utility-scale photovoltaic project.

"Subscriber" means a person who (i) takes delivery service from an electric utility, and (ii) has a subscription of no less than 200 watts to a community renewable generation project that is located in the electric utility's service area. No subscriber's subscriptions may total more than 40% of the nameplate capacity of an individual community renewable generation project. Entities that are affiliated by virtue of a common parent shall not represent multiple subscriptions that total more than 40% of the nameplate capacity of an individual community renewable generation project.

"Subscription" means an interest in a community renewable generation project expressed in kilowatts, which is sized primarily to offset part or all of the subscriber's electricity usage.

"Substitute natural gas" or "SNG" means a gas manufactured by gasification of hydrocarbon feedstock, which is substantially interchangeable in use and distribution with conventional natural gas.

"Total resource cost test" or "TRC test" means a standard that is met if, for an investment in energy efficiency or demand-response measures, the benefit-cost ratio is greater than one. The benefit-cost ratio is the ratio of the net present value of the total benefits of the program to the net present value of the total costs as calculated over the lifetime of the measures. A total resource cost test compares the sum of avoided electric utility costs, representing the benefits that accrue to the system and the participant in the delivery of those efficiency measures and including avoided costs associated with reduced use of natural gas or other fuels, avoided costs associated with reduced water consumption, and avoided costs associated with reduced operation and maintenance costs, as well as other quantifiable societal benefits, to the sum of all incremental costs of end-use measures that are implemented due to the program (including both utility and participant contributions), plus costs to administer, deliver, and evaluate each demand-side program, to quantify the net savings obtained by substituting the demand-side program for supply resources. In calculating avoided costs of power and energy that an electric utility would otherwise have had to acquire, reasonable estimates

shall be included of financial costs likely to be imposed by future regulations and legislation on emissions of greenhouse gases. In discounting future societal costs and benefits for the purpose of calculating net present values, a societal discount rate based on actual, long-term Treasury bond yields should be used. Notwithstanding anything to the contrary, the TRC test shall not include or take into account a calculation of market price suppression effects or demand reduction induced price effects.

"Utility-scale solar project" means an electric generating facility that:

(1) generates electricity using photovoltaic cells; and

(2) has a nameplate capacity that is greater than 5,000 ~~2,000~~ kilowatts.

"Utility-scale wind project" means an electric generating facility that:

(1) generates electricity using wind; and

(2) has a nameplate capacity that is greater than 5,000 ~~2,000~~ kilowatts.

"Waste Heat to Power Systems" means systems that capture and generate electricity from energy that would otherwise be lost to the atmosphere without the use of additional fuel.

"Zero emission credit" means a tradable credit that represents the environmental attributes of one megawatt hour of energy produced from a zero emission facility.

"Zero emission facility" means a facility that: (1) is fueled by nuclear power; and (2) is interconnected with PJM Interconnection, LLC or the Midcontinent Independent System Operator, Inc., or their successors.

(Source: P.A. 98-90, eff. 7-15-13; 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-20)

Sec. 1-20. General powers and duties of the Agency.

(a) The Agency is authorized to do each of the following:

(1) Develop electricity procurement plans to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability, for electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois and for small multi-jurisdictional electric utilities that (A) on December 31, 2005 served less than 100,000 customers in Illinois and (B) request a procurement plan for their Illinois jurisdictional load. Except as provided in paragraph (1.5) of this subsection (a), the electricity procurement plans shall be updated on an annual basis and shall include electricity generated from renewable resources sufficient to achieve the standards specified in this Act. Beginning with the delivery year commencing June 1, 2017, develop procurement plans to include zero emission credits generated from zero

emission facilities sufficient to achieve the standards specified in this Act. Beginning with the delivery year commencing on June 1, 2022, the Agency is authorized to develop carbon mitigation credit procurement plans to include carbon mitigation credits generated from carbon-free energy resources sufficient to achieve the standards specified in this Act.

(1.5) Develop a long-term renewable resources procurement plan in accordance with subsection (c) of Section 1-75 of this Act for renewable energy credits in amounts sufficient to achieve the standards specified in this Act for delivery years commencing June 1, 2017 and for the programs and renewable energy credits specified in Section 1-56 of this Act. Electricity procurement plans for delivery years commencing after May 31, 2017, shall not include procurement of renewable energy resources.

(2) Conduct competitive procurement processes to procure the supply resources identified in the electricity procurement plan, pursuant to Section 16-111.5 of the Public Utilities Act, and, for the delivery year commencing June 1, 2017, conduct procurement processes to procure zero emission credits from zero emission facilities, under subsection (d-5) of Section 1-75 of this Act. For the delivery year commencing June 1, 2022, the Agency is authorized to conduct procurement processes to procure carbon mitigation credits from carbon-free energy

resources, under subsection (d-10) of Section 1-75 of this Act.

(2.5) Beginning with the procurement for the 2017 delivery year, conduct competitive procurement processes and implement programs to procure renewable energy credits identified in the long-term renewable resources procurement plan developed and approved under subsection (c) of Section 1-75 of this Act and Section 16-111.5 of the Public Utilities Act.

(2.10) Oversee the procurement by electric utilities that served more than 300,000 customers in this State as of January 1, 2019 of renewable energy credits from new renewable energy facilities to be installed, along with energy storage facilities, at or adjacent to the sites of electric generating facilities that burned coal as their primary fuel source as of January 1, 2016 in accordance with subsection (c-5) of Section 1-75 of this Act.

(3) Develop electric generation and co-generation facilities that use indigenous coal or renewable resources, or both, financed with bonds issued by the Illinois Finance Authority.

(4) Supply electricity from the Agency's facilities at cost to one or more of the following: municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois.

(b) Except as otherwise limited by this Act, the Agency

has all of the powers necessary or convenient to carry out the purposes and provisions of this Act, including without limitation, each of the following:

(1) To have a corporate seal, and to alter that seal at pleasure, and to use it by causing it or a facsimile to be affixed or impressed or reproduced in any other manner.

(2) To use the services of the Illinois Finance Authority necessary to carry out the Agency's purposes.

(3) To negotiate and enter into loan agreements and other agreements with the Illinois Finance Authority.

(4) To obtain and employ personnel and hire consultants that are necessary to fulfill the Agency's purposes, and to make expenditures for that purpose within the appropriations for that purpose.

(5) To purchase, receive, take by grant, gift, devise, bequest, or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use, and otherwise deal in and with, real or personal property whether tangible or intangible, or any interest therein, within the State.

(6) To acquire real or personal property, whether tangible or intangible, including without limitation property rights, interests in property, franchises, obligations, contracts, and debt and equity securities, and to do so by the exercise of the power of eminent domain in accordance with Section 1-21; except that any real property acquired by the exercise of the power of eminent

domain must be located within the State.

(7) To sell, convey, lease, exchange, transfer, abandon, or otherwise dispose of, or mortgage, pledge, or create a security interest in, any of its assets, properties, or any interest therein, wherever situated.

(8) To purchase, take, receive, subscribe for, or otherwise acquire, hold, make a tender offer for, vote, employ, sell, lend, lease, exchange, transfer, or otherwise dispose of, mortgage, pledge, or grant a security interest in, use, and otherwise deal in and with, bonds and other obligations, shares, or other securities (or interests therein) issued by others, whether engaged in a similar or different business or activity.

(9) To make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the Agency under this Act, including contracts with any person, including personal service contracts, or with any local government, State agency, or other entity; and all State agencies and all local governments are authorized to enter into and do all things necessary to perform any such agreement, contract, or other instrument with the Agency. No such agreement, contract, or other instrument shall exceed 40 years.

(10) To lend money, invest and reinvest its funds in accordance with the Public Funds Investment Act, and take and hold real and personal property as security for the

payment of funds loaned or invested.

(11) To borrow money at such rate or rates of interest as the Agency may determine, issue its notes, bonds, or other obligations to evidence that indebtedness, and secure any of its obligations by mortgage or pledge of its real or personal property, machinery, equipment, structures, fixtures, inventories, revenues, grants, and other funds as provided or any interest therein, wherever situated.

(12) To enter into agreements with the Illinois Finance Authority to issue bonds whether or not the income therefrom is exempt from federal taxation.

(13) To procure insurance against any loss in connection with its properties or operations in such amount or amounts and from such insurers, including the federal government, as it may deem necessary or desirable, and to pay any premiums therefor.

(14) To negotiate and enter into agreements with trustees or receivers appointed by United States bankruptcy courts or federal district courts or in other proceedings involving adjustment of debts and authorize proceedings involving adjustment of debts and authorize legal counsel for the Agency to appear in any such proceedings.

(15) To file a petition under Chapter 9 of Title 11 of the United States Bankruptcy Code or take other similar

action for the adjustment of its debts.

(16) To enter into management agreements for the operation of any of the property or facilities owned by the Agency.

(17) To enter into an agreement to transfer and to transfer any land, facilities, fixtures, or equipment of the Agency to one or more municipal electric systems, governmental aggregators, or rural electric agencies or cooperatives, for such consideration and upon such terms as the Agency may determine to be in the best interest of the residents ~~citizens~~ of Illinois.

(18) To enter upon any lands and within any building whenever in its judgment it may be necessary for the purpose of making surveys and examinations to accomplish any purpose authorized by this Act.

(19) To maintain an office or offices at such place or places in the State as it may determine.

(20) To request information, and to make any inquiry, investigation, survey, or study that the Agency may deem necessary to enable it effectively to carry out the provisions of this Act.

(21) To accept and expend appropriations.

(22) To engage in any activity or operation that is incidental to and in furtherance of efficient operation to accomplish the Agency's purposes, including hiring employees that the Director deems essential for the

operations of the Agency.

(23) To adopt, revise, amend, and repeal rules with respect to its operations, properties, and facilities as may be necessary or convenient to carry out the purposes of this Act, subject to the provisions of the Illinois Administrative Procedure Act and Sections 1-22 and 1-35 of this Act.

(24) To establish and collect charges and fees as described in this Act.

(25) To conduct competitive gasification feedstock procurement processes to procure the feedstocks for the clean coal SNG brownfield facility in accordance with the requirements of Section 1-78 of this Act.

(26) To review, revise, and approve sourcing agreements and mediate and resolve disputes between gas utilities and the clean coal SNG brownfield facility pursuant to subsection (h-1) of Section 9-220 of the Public Utilities Act.

(27) To request, review and accept proposals, execute contracts, purchase renewable energy credits and otherwise dedicate funds from the Illinois Power Agency Renewable Energy Resources Fund to create and carry out the objectives of the Illinois Solar for All Program ~~program~~ in accordance with Section 1-56 of this Act.

(28) To ensure Illinois residents and business benefit from programs administered by the Agency and are properly

protected from any deceptive or misleading marketing practices by participants in the Agency's programs and procurements.

(c) In conducting the procurement of electricity or other products, the Agency shall not procure any products or services from persons or organizations that are in violation of the Displaced Energy Workers Bill of Rights, as provided under the Energy Community Reinvestment Act at the time of the procurement event or fail to comply the labor standards established in subparagraph (Q) of paragraph (1) of subsection (c) of Section 1-75.

(Source: P.A. 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-35)

Sec. 1-35. Agency rules. The Agency shall adopt rules as may be necessary and appropriate for the operation of the Agency. In addition to other rules relevant to the operation of the Agency, the Agency shall adopt rules that accomplish each of the following:

(1) Establish procedures for monitoring the administration of any contract administered directly or indirectly by the Agency; except that the procedures shall not extend to executed contracts between electric utilities and their suppliers.

(2) If deemed necessary by the Agency, establish ~~Establish~~ procedures for the recovery of costs incurred in

connection with the development and construction of a facility should the Agency cancel a project, provided that no such costs shall be passed on to public utilities or their customers or paid from the Illinois Power Agency Operations Fund.

(3) Implement accounting rules and a system of accounts, in accordance with State law, permitting all reporting (i) required by the State, (ii) required under this Act, (iii) required by the Authority, or (iv) required under the Public Utilities Act.

The Agency shall not adopt any rules that infringe upon the authority granted to the Commission.

(Source: P.A. 95-481, eff. 8-28-07.)

(20 ILCS 3855/1-56)

Sec. 1-56. Illinois Power Agency Renewable Energy Resources Fund; Illinois Solar for All Program.

(a) The Illinois Power Agency Renewable Energy Resources Fund is created as a special fund in the State treasury.

(b) The Illinois Power Agency Renewable Energy Resources Fund shall be administered by the Agency as described in this subsection (b), provided that the changes to this subsection (b) made by this amendatory Act of the 99th General Assembly shall not interfere with existing contracts under this Section.

(1) The Illinois Power Agency Renewable Energy

Resources Fund shall be used to purchase renewable energy credits according to any approved procurement plan developed by the Agency prior to June 1, 2017.

(2) The Illinois Power Agency Renewable Energy Resources Fund shall also be used to create the Illinois Solar for All Program, which provides ~~shall include~~ incentives for low-income distributed generation and community solar projects, and other associated approved expenditures. The objectives of the Illinois Solar for All Program are to bring photovoltaics to low-income communities in this State in a manner that maximizes the development of new photovoltaic generating facilities, to create a long-term, low-income solar marketplace throughout this State, to integrate, through interaction with stakeholders, with existing energy efficiency initiatives, and to minimize administrative costs. The Illinois Solar for All Program shall be implemented in a manner that seeks to minimize administrative costs, and maximize efficiencies and synergies available through coordination with similar initiatives, including the Adjustable Block program described in subparagraphs (K) through (M) of paragraph (1) of subsection (c) of Section 1-75, energy efficiency programs, job training programs, and community action agencies. The Agency shall strive to ensure that renewable energy credits procured through the Illinois Solar for All Program and each of its subprograms

are purchased from projects across the breadth of low-income and environmental justice communities in Illinois, including both urban and rural communities, are not concentrated in a few communities, and do not exclude particular low-income or environmental justice communities. The Agency shall include a description of its proposed approach to the design, administration, implementation and evaluation of the Illinois Solar for All Program, as part of the long-term renewable resources procurement plan authorized by subsection (c) of Section 1-75 of this Act, and the program shall be designed to grow the low-income solar market. The Agency or utility, as applicable, shall purchase renewable energy credits from the (i) photovoltaic distributed renewable energy generation projects and (ii) community solar projects that are procured under procurement processes authorized by the long-term renewable resources procurement plans approved by the Commission.

The Illinois Solar for All Program shall include the program offerings described in subparagraphs (A) through (E) ~~(D)~~ of this paragraph (2), which the Agency shall implement through contracts with third-party providers and, subject to appropriation, pay the approximate amounts identified using monies available in the Illinois Power Agency Renewable Energy Resources Fund. Each contract that provides for the installation of solar facilities shall

provide that the solar facilities will produce energy and economic benefits, at a level determined by the Agency to be reasonable, for the participating low income customers. The monies available in the Illinois Power Agency Renewable Energy Resources Fund and not otherwise committed to contracts executed under subsection (i) of this Section, as well as, in the case of the programs described under subparagraphs (A) through (E) of this paragraph (2), funding authorized pursuant to subparagraph (O) of paragraph (1) of subsection (c) of Section 1-75 of this Act, shall initially be allocated among the programs described in this paragraph (2), as follows: 35% ~~22.5%~~ of these funds shall be allocated to programs described in subparagraphs ~~subparagraph~~ (A) and (E) of this paragraph (2), 40% ~~37.5%~~ of these funds shall be allocated to programs described in subparagraph (B) of this paragraph (2), and 25% ~~15%~~ of these funds shall be allocated to programs described in subparagraph (C) of this paragraph (2)~~, and 25% of these funds, but in no event more than $50,000,000, shall be allocated to programs described in subparagraph (D) of this paragraph (2)~~. The allocation of funds among subparagraphs (A), (B), ~~or~~ (C), and (E) of this paragraph (2) may be changed if the Agency, after receiving input through a stakeholder process, ~~or administrator, through delegated authority,~~ determines incentives in subparagraphs (A), (B), ~~or~~ (C), or (E) of

this paragraph (2) have not been adequately subscribed to fully utilize available Illinois Solar for All Program funds ~~the Illinois Power Agency Renewable Energy Resources Fund~~. ~~The determination shall include input through a stakeholder process. The program offerings described in subparagraphs (A) through (D) of this paragraph (2) shall also be implemented through contracts funded from such additional amounts as are allocated to one or more of the programs in the long term renewable resources procurement plans as specified in subsection (c) of Section 1-75 of this Act and subparagraph (O) of paragraph (1) of such subsection (c).~~

Contracts that will be paid with funds in the Illinois Power Agency Renewable Energy Resources Fund shall be executed by the Agency. Contracts that will be paid with funds collected by an electric utility shall be executed by the electric utility.

Contracts under the Illinois Solar for All Program shall include an approach, as set forth in the long-term renewable resources procurement plans, to ensure the wholesale market value of the energy is credited to participating low-income customers or organizations and to ensure tangible economic benefits flow directly to program participants, except in the case of low-income multi-family housing where the low-income customer does not directly pay for energy. Priority shall be given to

projects that demonstrate meaningful involvement of low-income community members in designing the initial proposals. Acceptable proposals to implement projects must demonstrate the applicant's ability to conduct initial community outreach, education, and recruitment of low-income participants in the community. Projects must include job training opportunities if available, with the specific level of trainee usage to be determined through the Agency's long-term renewable resources procurement plan, and the Illinois Solar for All Program Administrator shall ~~endeavor to~~ coordinate with the job training programs described in paragraph (1) of subsection (a) of Section 16-108.12 of the Public Utilities Act and in the Energy Transition Act.

The Agency shall make every effort to ensure that small and emerging businesses, particularly those located in low-income and environmental justice communities, are able to participate in the Illinois Solar for All Program. These efforts may include, but shall not be limited to, proactive support from the program administrator, different or preferred access to subprograms and administrator-identified customers or grassroots education provider-identified customers, and different incentive levels. The Agency shall report on progress and barriers to participation of small and emerging businesses in the Illinois Solar for All Program at least once a year.

The report shall be made available on the Agency's website and, in years when the Agency is updating its long-term renewable resources procurement plan, included in that Plan.

(A) Low-income single-family and small multifamily solar ~~distributed generation~~ incentive. This program will provide incentives to low-income customers, either directly or through solar providers, to increase the participation of low-income households in photovoltaic on-site distributed generation at residential buildings containing one to 4 units. Companies participating in this program that install solar panels shall commit to hiring job trainees for a portion of their low-income installations, and an administrator shall facilitate partnering the companies that install solar panels with entities that provide solar panel installation job training. It is a goal of this program that a minimum of 25% of the incentives for this program be allocated to projects located within environmental justice communities. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program and shall also include contracts for renewable energy credits from the photovoltaic distributed generation that is the subject of the program, as set forth in the long-term

renewable resources procurement plan. Additionally:

(i) The Agency shall reserve a portion of this program for projects that promote energy sovereignty through ownership of projects by low-income households, not-for-profit organizations providing services to low-income households, affordable housing owners, community cooperatives, or community-based limited liability companies providing services to low-income households. Projects that feature energy ownership should ensure that local people have control of the project and reap benefits from the project over and above energy bill savings. The Agency may consider the inclusion of projects that promote ownership over time or that involve partial project ownership by communities, as promoting energy sovereignty. Incentives for projects that promote energy sovereignty may be higher than incentives for equivalent projects that do not promote energy sovereignty under this same program.

(ii) Through its long-term renewable resources procurement plan, the Agency shall consider additional program and contract requirements to ensure faithful compliance by applicants benefiting from preferences for projects

designated to promote energy sovereignty. The Agency shall make every effort to enable solar providers already participating in the Adjustable Block-Program under subparagraph (K) of paragraph (1) of subsection (c) of Section 1-75 of this Act, and particularly solar providers developing projects under item (i) of subparagraph (K) of paragraph (1) of subsection (c) of Section 1-75 of this Act to easily participate in the Low-Income Distributed Generation Incentive program described under this subparagraph (A), and vice versa. This effort may include, but shall not be limited to, utilizing similar or the same application systems and processes, similar or the same forms and formats of communication, and providing active outreach to companies participating in one program but not the other. The Agency shall report on efforts made to encourage this cross-participation in its long-term renewable resources procurement plan.

(B) Low-Income Community Solar Project Initiative. Incentives shall be offered to low-income customers, either directly or through developers, to increase the participation of low-income subscribers of community solar projects. The developer of each project shall identify its partnership with community stakeholders

regarding the location, development, and participation in the project, provided that nothing shall preclude a project from including an anchor tenant that does not qualify as low-income. Companies participating in this program that develop or install solar projects shall commit to hiring job trainees for a portion of their low-income installations, and an administrator shall facilitate partnering the companies that install solar projects with entities that provide solar installation and related job training. ~~Incentives should also be offered to community solar projects that are 100% low-income subscriber owned, which includes low-income households, not-for-profit organizations, and affordable housing owners.~~ It is a goal of this program that a minimum of 25% of the incentives for this program be allocated to community photovoltaic projects in environmental justice communities. The Agency shall reserve a portion of this program for projects that promote energy sovereignty through ownership of projects by low-income households, not-for-profit organizations providing services to low-income households, affordable housing owners, or community-based limited liability companies providing services to low-income households. Projects that feature energy ownership should ensure that local people have control of the project and reap benefits

from the project over and above energy bill savings. The Agency may consider the inclusion of projects that promote ownership over time or that involve partial project ownership by communities, as promoting energy sovereignty. Incentives for projects that promote energy sovereignty may be higher than incentives for equivalent projects that do not promote energy sovereignty under this same program. Contracts entered into under this paragraph may be entered into with developers and shall also include contracts for renewable energy credits related to the program.

(C) Incentives for non-profits and public facilities. Under this program funds shall be used to support on-site photovoltaic distributed renewable energy generation devices to serve the load associated with not-for-profit customers and to support photovoltaic distributed renewable energy generation that uses photovoltaic technology to serve the load associated with public sector customers taking service at public buildings. Companies participating in this program that develop or install solar projects shall commit to hiring job trainees for a portion of their low-income installations, and an administrator shall facilitate partnering the companies that install solar projects with entities that provide solar installation and related job training. Through its long-term

renewable resources procurement plan, the Agency shall consider additional program and contract requirements to ensure faithful compliance by applicants benefiting from preferences for projects designated to promote energy sovereignty. It is a goal of this program that at least 25% of the incentives for this program be allocated to projects located in environmental justice communities. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program or with developers and shall also include contracts for renewable energy credits related to the program.

(D) (Blank). ~~Low-Income Community Solar Pilot Projects. Under this program, persons, including, but not limited to, electric utilities, shall propose pilot community solar projects. Community solar projects proposed under this subparagraph (D) may exceed 2,000 kilowatts in nameplate capacity, but the amount paid per project under this program may not exceed $20,000,000. Pilot projects must result in economic benefits for the members of the community in which the project will be located. The proposed pilot project must include a partnership with at least one community-based organization. Approved pilot projects shall be competitively bid by the Agency, subject to fair and equitable guidelines developed by the Agency.~~

~~Funding available under this subparagraph (D) may not be distributed solely to a utility, and at least some funds under this subparagraph (D) must include a project partnership that includes community ownership by the project subscribers. Contracts entered into under this paragraph may be entered into with an entity that will develop and administer the program or with developers and shall also include contracts for renewable energy credits related to the program. A project proposed by a utility that is implemented under this subparagraph (D) shall not be included in the utility's ratebase.~~

(E) Low-income large multifamily solar incentive. This program shall provide incentives to low-income customers, either directly or through solar providers, to increase the participation of low-income households in photovoltaic on-site distributed generation at residential buildings with 5 or more units. Companies participating in this program that develop or install solar projects shall commit to hiring job trainees for a portion of their low-income installations, and an administrator shall facilitate partnering the companies that install solar projects with entities that provide solar installation and related job training. It is a goal of this program that a minimum of 25% of the incentives for this program be allocated

to projects located within environmental justice communities. The Agency shall reserve a portion of this program for projects that promote energy sovereignty through ownership of projects by low-income households, not-for-profit organizations providing services to low-income households, affordable housing owners, or community-based limited liability companies providing services to low-income households. Projects that feature energy ownership should ensure that local people have control of the project and reap benefits from the project over and above energy bill savings. The Agency may consider the inclusion of projects that promote ownership over time or that involve partial project ownership by communities, as promoting energy sovereignty. Incentives for projects that promote energy sovereignty may be higher than incentives for equivalent projects that do not promote energy sovereignty under this same program.

The requirement that a qualified person, as defined in paragraph (1) of subsection (i) of this Section, install photovoltaic devices does not apply to the Illinois Solar for All Program described in this subsection (b).

In addition to the programs outlined in paragraphs (A) through (E), the Agency and other parties may propose additional programs through the Long-Term Renewable

Resources Procurement Plan developed and approved under paragraph (5) of subsection (b) of Section 16-111.5 of the Public Utilities Act. Additional programs may target market segments not specified above and may also include incentives targeted to increase the uptake of nonphotovoltaic technologies by low-income customers, including energy storage paired with photovoltaics, if the Commission determines that the Illinois Solar for All Program would provide greater benefits to the public health and well-being of low-income residents through also supporting that additional program versus supporting programs already authorized.

(3) Costs associated with the Illinois Solar for All Program and its components described in paragraph (2) of this subsection (b), including, but not limited to, costs associated with procuring experts, consultants, and the program administrator referenced in this subsection (b) and related incremental costs, costs related to income verification and facilitating customer participation in the program, and costs related to the evaluation of the Illinois Solar for All Program, may be paid for using monies in the Illinois Power Agency Renewable Energy Resources Fund, and funds allocated pursuant to subparagraph (O) of paragraph (1) of subsection (c) of Section 1-75, but the Agency or program administrator shall strive to minimize costs in the implementation of

the program. The Agency or contracting electric utility shall purchase renewable energy credits from generation that is the subject of a contract under subparagraphs (A) through (E) ~~(D)~~ of ~~this~~ paragraph (2) of this subsection (b), and may pay for such renewable energy credits through an upfront payment per installed kilowatt of nameplate capacity paid once the device is interconnected at the distribution system level of the interconnecting utility and verified as ~~is~~ energized. Payments for renewable energy credits ~~The payment~~ shall be in exchange for ~~an assignment of~~ all renewable energy credits generated by the system during the first 15 years of operation and shall be structured to overcome barriers to participation in the solar market by the low-income community. The incentives provided for in this Section may be implemented through the pricing of renewable energy credits where the prices paid for the credits are higher than the prices from programs offered under subsection (c) of Section 1-75 of this Act to account for the additional capital necessary to successfully access targeted market segments ~~incentives. The Agency shall ensure collaboration with community agencies, and allocate up to 5% of the funds available under the Illinois Solar for All Program to community-based groups to assist in grassroots education efforts related to the Illinois Solar for All Program~~. The Agency or contracting electric utility shall retire any

renewable energy credits purchased under ~~from~~ this program and the credits shall count towards the obligation under subsection (c) of Section 1-75 of this Act for the electric utility to which the project is interconnected, if applicable.

The Agency shall direct that up to 5% of the funds available under the Illinois Solar for All Program to community-based groups and other qualifying organizations to assist in community-driven education efforts related to the Illinois Solar for All Program, including general energy education, job training program outreach efforts, and other activities deemed to be qualified by the Agency. Grassroots education funding shall not be used to support the marketing by solar project development firms and organizations, unless such education provides equal opportunities for all applicable firms and organizations.

(4) The Agency shall, consistent with the requirements of this subsection (b), propose the Illinois Solar for All Program terms, conditions, and requirements, including the prices to be paid for renewable energy credits, and which prices may be determined through a formula, through the development, review, and approval of the Agency's long-term renewable resources procurement plan described in subsection (c) of Section 1-75 of this Act and Section 16-111.5 of the Public Utilities Act. In the course of the Commission proceeding initiated to review and approve the

plan, including the Illinois Solar for All Program proposed by the Agency, a party may propose an additional low-income solar or solar incentive program, or modifications to the programs proposed by the Agency, and the Commission may approve an additional program, or modifications to the Agency's proposed program, if the additional or modified program more effectively maximizes the benefits to low-income customers after taking into account all relevant factors, including, but not limited to, the extent to which a competitive market for low-income solar has developed. Following the Commission's approval of the Illinois Solar for All Program, the Agency or a party may propose adjustments to the program terms, conditions, and requirements, including the price offered to new systems, to ensure the long-term viability and success of the program. The Commission shall review and approve any modifications to the program through the plan revision process described in Section 16-111.5 of the Public Utilities Act.

(5) The Agency shall issue a request for qualifications for a third-party program administrator or administrators to administer all or a portion of the Illinois Solar for All Program. The third-party program administrator shall be chosen through a competitive bid process based on selection criteria and requirements developed by the Agency, including, but not limited to,

experience in administering low-income energy programs and overseeing statewide clean energy or energy efficiency services. If the Agency retains a program administrator or administrators to implement all or a portion of the Illinois Solar for All Program, each administrator shall periodically submit reports to the Agency and Commission for each program that it administers, at appropriate intervals to be identified by the Agency in its long-term renewable resources procurement plan, provided that the reporting interval is at least quarterly. The third-party program administrator may be, but need not be, the same administrator as for the Adjustable Block program described in subparagraphs (K) through (M) of paragraph (1) of subsection (c) of Section 1-75. The Agency, through its long-term renewable resources procurement plan approval process, shall also determine if individual subprograms of the Illinois Solar for All Program are better served by a different or separate Program Administrator.

The third-party administrator's responsibilities shall also include facilitating placement for graduates of Illinois-based renewable energy-specific job training programs, including the Clean Jobs Workforce Network Program and the Illinois Climate Works Preapprenticeship Program administered by the Department of Commerce and Economic Opportunity and programs administered under

Section 16-108.12 of the Public Utilities Act. To increase the uptake of trainees by participating firms, the administrator shall also develop a web-based clearinghouse for information available to both job training program graduates and firms participating, directly or indirectly, in Illinois solar incentive programs. The program administrator shall also coordinate its activities with entities implementing electric and natural gas income-qualified energy efficiency programs, including customer referrals to and from such programs, and connect prospective low-income solar customers with any existing deferred maintenance programs where applicable.

(6) The long-term renewable resources procurement plan shall also provide for an independent evaluation of the Illinois Solar for All Program. At least every 2 years, the Agency shall select an independent evaluator to review and report on the Illinois Solar for All Program and the performance of the third-party program administrator of the Illinois Solar for All Program. The evaluation shall be based on objective criteria developed through a public stakeholder process. The process shall include feedback and participation from Illinois Solar for All Program stakeholders, including participants and organizations in environmental justice and historically underserved communities. The report shall include a summary of the evaluation of the Illinois Solar for All Program based on

the stakeholder developed objective criteria. The report shall include the number of projects installed; the total installed capacity in kilowatts; the average cost per kilowatt of installed capacity to the extent reasonably obtainable by the Agency; the number of jobs or job opportunities created; economic, social, and environmental benefits created; and the total administrative costs expended by the Agency and program administrator to implement and evaluate the program. The report shall be delivered to the Commission and posted on the Agency's website, and shall be used, as needed, to revise the Illinois Solar for All Program. The Commission shall also consider the results of the evaluation as part of its review of the long-term renewable resources procurement plan under subsection (c) of Section 1-75 of this Act.

(7) If additional funding for the programs described in this subsection (b) is available under subsection (k) of Section 16-108 of the Public Utilities Act, then the Agency shall submit a procurement plan to the Commission no later than September 1, 2018, that proposes how the Agency will procure programs on behalf of the applicable utility. After notice and hearing, the Commission shall approve, or approve with modification, the plan no later than November 1, 2018.

(8) As part of the development and update of the long-term renewable resources procurement plan authorized

by subsection (c) of Section 1-75 of this Act, the Agency shall plan for: (A) actions to refer customers from the Illinois Solar for All Program to electric and natural gas income-qualified energy efficiency programs, and vice versa, with the goal of increasing participation in both of these programs; (B) effective procedures for data sharing, as needed, to effectuate referrals between the Illinois Solar for All Program and both electric and natural gas income-qualified energy efficiency programs, including sharing customer information directly with the utilities, as needed and appropriate; and (C) efforts to identify any existing deferred maintenance programs for which prospective Solar for All Program customers may be eligible and connect prospective customers for whom deferred maintenance is or may be a barrier to solar installation to those programs.

As used in this subsection (b), "low-income households" means persons and families whose income does not exceed 80% of area median income, adjusted for family size and revised every 5 years.

For the purposes of this subsection (b), the Agency shall define "environmental justice community" based on the methodologies and findings established by the Agency and the Administrator for the Illinois Solar for All Program in its initial long-term renewable resources procurement plan and as updated by the Agency and the Administrator for the Illinois

Solar for All Program as part of the long-term renewable resources procurement plan update ~~development, to ensure, to the extent practicable, compatibility with other agencies' definitions and may, for guidance, look to the definitions used by federal, state, or local governments~~.

(b-5) After the receipt of all payments required by Section 16-115D of the Public Utilities Act, no additional funds shall be deposited into the Illinois Power Agency Renewable Energy Resources Fund unless directed by order of the Commission.

(b-10) After the receipt of all payments required by Section 16-115D of the Public Utilities Act and payment in full of all contracts executed by the Agency under subsections (b) and (i) of this Section, if the balance of the Illinois Power Agency Renewable Energy Resources Fund is under $5,000, then the Fund shall be inoperative and any remaining funds and any funds submitted to the Fund after that date, shall be transferred to the Supplemental Low-Income Energy Assistance Fund for use in the Low-Income Home Energy Assistance Program, as authorized by the Energy Assistance Act.

(c) (Blank).

(d) (Blank).

(e) All renewable energy credits procured using monies from the Illinois Power Agency Renewable Energy Resources Fund shall be permanently retired.

(f) The selection of one or more third-party program

managers or administrators, the selection of the independent evaluator, and the procurement processes described in this Section are exempt from the requirements of the Illinois Procurement Code, under Section 20-10 of that Code.

(g) All disbursements from the Illinois Power Agency Renewable Energy Resources Fund shall be made only upon warrants of the Comptroller drawn upon the Treasurer as custodian of the Fund upon vouchers signed by the Director or by the person or persons designated by the Director for that purpose. The Comptroller is authorized to draw the warrant upon vouchers so signed. The Treasurer shall accept all warrants so signed and shall be released from liability for all payments made on those warrants.

(h) The Illinois Power Agency Renewable Energy Resources Fund shall not be subject to sweeps, administrative charges, or chargebacks, including, but not limited to, those authorized under Section 8h of the State Finance Act, that would in any way result in the transfer of any funds from this Fund to any other fund of this State or in having any such funds utilized for any purpose other than the express purposes set forth in this Section.

(h-5) The Agency may assess fees to each bidder to recover the costs incurred in connection with a procurement process held under this Section. Fees collected from bidders shall be deposited into the Renewable Energy Resources Fund.

(i) Supplemental procurement process.

(1) Within 90 days after the effective date of this amendatory Act of the 98th General Assembly, the Agency shall develop a one-time supplemental procurement plan limited to the procurement of renewable energy credits, if available, from new or existing photovoltaics, including, but not limited to, distributed photovoltaic generation. Nothing in this subsection (i) requires procurement of wind generation through the supplemental procurement.

Renewable energy credits procured from new photovoltaics, including, but not limited to, distributed photovoltaic generation, under this subsection (i) must be procured from devices installed by a qualified person. In its supplemental procurement plan, the Agency shall establish contractually enforceable mechanisms for ensuring that the installation of new photovoltaics is performed by a qualified person.

For the purposes of this paragraph (1), "qualified person" means a person who performs installations of photovoltaics, including, but not limited to, distributed photovoltaic generation, and who: (A) has completed an apprenticeship as a journeyman electrician from a United States Department of Labor registered electrical apprenticeship and training program and received a certification of satisfactory completion; or (B) does not currently meet the criteria under clause (A) of this paragraph (1), but is enrolled in a United States

Department of Labor registered electrical apprenticeship program, provided that the person is directly supervised by a person who meets the criteria under clause (A) of this paragraph (1); or (C) has obtained one of the following credentials in addition to attesting to satisfactory completion of at least 5 years or 8,000 hours of documented hands-on electrical experience: (i) a North American Board of Certified Energy Practitioners (NABCEP) Installer Certificate for Solar PV; (ii) an Underwriters Laboratories (UL) PV Systems Installer Certificate; (iii) an Electronics Technicians Association, International (ETAI) Level 3 PV Installer Certificate; or (iv) an Associate in Applied Science degree from an Illinois Community College Board approved community college program in renewable energy or a distributed generation technology.

For the purposes of this paragraph (1), "directly supervised" means that there is a qualified person who meets the qualifications under clause (A) of this paragraph (1) and who is available for supervision and consultation regarding the work performed by persons under clause (B) of this paragraph (1), including a final inspection of the installation work that has been directly supervised to ensure safety and conformity with applicable codes.

For the purposes of this paragraph (1), "install"

means the major activities and actions required to connect, in accordance with applicable building and electrical codes, the conductors, connectors, and all associated fittings, devices, power outlets, or apparatuses mounted at the premises that are directly involved in delivering energy to the premises' electrical wiring from the photovoltaics, including, but not limited to, to distributed photovoltaic generation.

The renewable energy credits procured pursuant to the supplemental procurement plan shall be procured using up to $30,000,000 from the Illinois Power Agency Renewable Energy Resources Fund. The Agency shall not plan to use funds from the Illinois Power Agency Renewable Energy Resources Fund in excess of the monies on deposit in such fund or projected to be deposited into such fund. The supplemental procurement plan shall ensure adequate, reliable, affordable, efficient, and environmentally sustainable renewable energy resources (including credits) at the lowest total cost over time, taking into account any benefits of price stability.

To the extent available, 50% of the renewable energy credits procured from distributed renewable energy generation shall come from devices of less than 25 kilowatts in nameplate capacity. Procurement of renewable energy credits from distributed renewable energy generation devices shall be done through multi-year

contracts of no less than 5 years. The Agency shall create credit requirements for counterparties. In order to minimize the administrative burden on contracting entities, the Agency shall solicit the use of third parties to aggregate distributed renewable energy. These third parties shall enter into and administer contracts with individual distributed renewable energy generation device owners. An individual distributed renewable energy generation device owner shall have the ability to measure the output of his or her distributed renewable energy generation device.

In developing the supplemental procurement plan, the Agency shall hold at least one workshop open to the public within 90 days after the effective date of this amendatory Act of the 98th General Assembly and shall consider any comments made by stakeholders or the public. Upon development of the supplemental procurement plan within this 90-day period, copies of the supplemental procurement plan shall be posted and made publicly available on the Agency's and Commission's websites. All interested parties shall have 14 days following the date of posting to provide comment to the Agency on the supplemental procurement plan. All comments submitted to the Agency shall be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the supplemental procurement plan, accompanied by specific

alternative wording or proposals. All comments shall be posted on the Agency's and Commission's websites. Within 14 days following the end of the 14-day review period, the Agency shall revise the supplemental procurement plan as necessary based on the comments received and file its revised supplemental procurement plan with the Commission for approval.

(2) Within 5 days after the filing of the supplemental procurement plan at the Commission, any person objecting to the supplemental procurement plan shall file an objection with the Commission. Within 10 days after the filing, the Commission shall determine whether a hearing is necessary. The Commission shall enter its order confirming or modifying the supplemental procurement plan within 90 days after the filing of the supplemental procurement plan by the Agency.

(3) The Commission shall approve the supplemental procurement plan of renewable energy credits to be procured from new or existing photovoltaics, including, but not limited to, distributed photovoltaic generation, if the Commission determines that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service in the form of renewable energy credits at the lowest total cost over time, taking into account any benefits of price stability.

(4) The supplemental procurement process under this

subsection (i) shall include each of the following components:

(A) Procurement administrator. The Agency may retain a procurement administrator in the manner set forth in item (2) of subsection (a) of Section 1-75 of this Act to conduct the supplemental procurement or may elect to use the same procurement administrator administering the Agency's annual procurement under Section 1-75.

(B) Procurement monitor. The procurement monitor retained by the Commission pursuant to Section 16-111.5 of the Public Utilities Act shall:

(i) monitor interactions among the procurement administrator and bidders and suppliers;

(ii) monitor and report to the Commission on the progress of the supplemental procurement process;

(iii) provide an independent confidential report to the Commission regarding the results of the procurement events;

(iv) assess compliance with the procurement plan approved by the Commission for the supplemental procurement process;

(v) preserve the confidentiality of supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and

tariffs;

(vi) provide expert advice to the Commission and consult with the procurement administrator regarding issues related to procurement process design, rules, protocols, and policy-related matters;

(vii) consult with the procurement administrator regarding the development and use of benchmark criteria, standard form contracts, credit policies, and bid documents; and

(viii) perform, with respect to the supplemental procurement process, any other procurement monitor duties specifically delineated within subsection (i) of this Section.

(C) Solicitation, pre-qualification, and registration of bidders. The procurement administrator shall disseminate information to potential bidders to promote a procurement event, notify potential bidders that the procurement administrator may enter into a post-bid price negotiation with bidders that meet the applicable benchmarks, provide supply requirements, and otherwise explain the competitive procurement process. In addition to such other publication as the procurement administrator determines is appropriate, this information shall be posted on the Agency's and the Commission's websites. The procurement

administrator shall also administer the prequalification process, including evaluation of credit worthiness, compliance with procurement rules, and agreement to the standard form contract developed pursuant to item (D) of this paragraph (4). The procurement administrator shall then identify and register bidders to participate in the procurement event.

(D) Standard contract forms and credit terms and instruments. The procurement administrator, in consultation with the Agency, the Commission, and other interested parties and subject to Commission oversight, shall develop and provide standard contract forms for the supplier contracts that meet generally accepted industry practices as well as include any applicable State of Illinois terms and conditions that are required for contracts entered into by an agency of the State of Illinois. Standard credit terms and instruments that meet generally accepted industry practices shall be similarly developed. Contracts for new photovoltaics shall include a provision attesting that the supplier will use a qualified person for the installation of the device pursuant to paragraph (1) of subsection (i) of this Section. The procurement administrator shall make available to the Commission all written comments it receives on the contract

forms, credit terms, or instruments. If the procurement administrator cannot reach agreement with the parties as to the contract terms and conditions, the procurement administrator must notify the Commission of any disputed terms and the Commission shall resolve the dispute. The terms of the contracts shall not be subject to negotiation by winning bidders, and the bidders must agree to the terms of the contract in advance so that winning bids are selected solely on the basis of price.

(E) Requests for proposals; competitive procurement process. The procurement administrator shall design and issue requests for proposals to supply renewable energy credits in accordance with the supplemental procurement plan, as approved by the Commission. The requests for proposals shall set forth a procedure for sealed, binding commitment bidding with pay-as-bid settlement, and provision for selection of bids on the basis of price, provided, however, that no bid shall be accepted if it exceeds the benchmark developed pursuant to item (F) of this paragraph (4).

(F) Benchmarks. Benchmarks for each product to be procured shall be developed by the procurement administrator in consultation with Commission staff, the Agency, and the procurement monitor for use in

this supplemental procurement.

(G) A plan for implementing contingencies in the event of supplier default, Commission rejection of results, or any other cause.

(5) Within 2 business days after opening the sealed bids, the procurement administrator shall submit a confidential report to the Commission. The report shall contain the results of the bidding for each of the products along with the procurement administrator's recommendation for the acceptance and rejection of bids based on the price benchmark criteria and other factors observed in the process. The procurement monitor also shall submit a confidential report to the Commission within 2 business days after opening the sealed bids. The report shall contain the procurement monitor's assessment of bidder behavior in the process as well as an assessment of the procurement administrator's compliance with the procurement process and rules. The Commission shall review the confidential reports submitted by the procurement administrator and procurement monitor and shall accept or reject the recommendations of the procurement administrator within 2 business days after receipt of the reports.

(6) Within 3 business days after the Commission decision approving the results of a procurement event, the Agency shall enter into binding contractual arrangements

with the winning suppliers using the standard form contracts.

(7) The names of the successful bidders and the average of the winning bid prices for each contract type and for each contract term shall be made available to the public within 2 days after the supplemental procurement event. The Commission, the procurement monitor, the procurement administrator, the Agency, and all participants in the procurement process shall maintain the confidentiality of all other supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs. Confidential information, including the confidential reports submitted by the procurement administrator and procurement monitor pursuant to this Section, shall not be made publicly available and shall not be discoverable by any party in any proceeding, absent a compelling demonstration of need, nor shall those reports be admissible in any proceeding other than one for law enforcement purposes.

(8) The supplemental procurement provided in this subsection (i) shall not be subject to the requirements and limitations of subsections (c) and (d) of this Section.

(9) Expenses incurred in connection with the procurement process held pursuant to this Section, including, but not limited to, the cost of developing the

supplemental procurement plan, the procurement administrator, procurement monitor, and the cost of the retirement of renewable energy credits purchased pursuant to the supplemental procurement shall be paid for from the Illinois Power Agency Renewable Energy Resources Fund. The Agency shall enter into an interagency agreement with the Commission to reimburse the Commission for its costs associated with the procurement monitor for the supplemental procurement process.

(Source: P.A. 98-672, eff. 6-30-14; 99-906, eff. 6-1-17.)

(20 ILCS 3855/1-70)

Sec. 1-70. Agency officials.

(a) The Agency shall have a Director who meets the qualifications specified in Section 5-222 of the Civil Administrative Code of Illinois.

(b) Within the Illinois Power Agency, the Agency shall establish a Planning and Procurement Bureau and may establish a Resource Development Bureau. Each Bureau shall report to the Director.

(c) The Chief of the Planning and Procurement Bureau shall be appointed by the Director, at the Director's sole discretion, and (i) shall have at least 5 years of direct experience in electricity supply planning and procurement and (ii) shall also hold an advanced degree in risk management, law, business, or a related field.

(d) The Chief of the Resource Development Bureau may be appointed by the Director and (i) shall have at least 5 years of direct experience in electric generating project development and (ii) shall also hold an advanced degree in economics, engineering, law, business, or a related field.

(e) For terms ending before December 31, 2019, the Director shall receive an annual salary of $100,000 or as set by the Executive Ethics Commission based on a review of comparable State agency director salaries, whichever is higher. No annual salary for the Director or a Bureau Chief shall exceed the amount of salary set by law for the Governor that is in effect on July 1 of that fiscal year. ~~Compensation Review Board, whichever is higher. For terms ending before December 31, 2019, the Bureau Chiefs shall each receive an annual salary of $85,000 or as set by the Compensation Review Board, whichever is higher. For terms beginning after the effective date of this amendatory Act of the 100th General Assembly, the annual salaries for the Director and the Bureau Chiefs shall be an amount equal to 15% more than the respective position's annual salary as of December 31, 2018. The calculation of the 2018 salary base for this adjustment shall not include any cost of living adjustments, as authorized by Senate Joint Resolution 192 of the 86th General Assembly, for the period beginning July 1, 2009 to June 30, 2019. Beginning July 1, 2019 and each July 1 thereafter, the Director and the Bureau Chiefs shall receive an increase in salary based on a~~

~~cost of living adjustment as authorized by Senate Joint Resolution 192 of the 86th General Assembly.~~

(f) The Director and Bureau Chiefs shall not, for 2 years prior to appointment or for 2 years after he or she leaves his or her position, be employed by an electric utility, independent power producer, power marketer, or alternative retail electric supplier regulated by the Commission or the Federal Energy Regulatory Commission.

(g) The Director and Bureau Chiefs are prohibited from: (i) owning, directly or indirectly, 5% or more of the voting capital stock of an electric utility, independent power producer, power marketer, or alternative retail electric supplier; (ii) being in any chain of successive ownership of 5% or more of the voting capital stock of any electric utility, independent power producer, power marketer, or alternative retail electric supplier; (iii) receiving any form of compensation, fee, payment, or other consideration from an electric utility, independent power producer, power marketer, or alternative retail electric supplier, including legal fees, consulting fees, bonuses, or other sums. These limitations do not apply to any compensation received pursuant to a defined benefit plan or other form of deferred compensation, provided that the individual has otherwise severed all ties to the utility, power producer, power marketer, or alternative retail electric supplier.

(Source: P.A. 99-536, eff. 7-8-16; 100-1179, eff. 1-18-19.)

(20 ILCS 3855/1-75)

Sec. 1-75. Planning and Procurement Bureau. The Planning and Procurement Bureau has the following duties and responsibilities:

(a) The Planning and Procurement Bureau shall each year, beginning in 2008, develop procurement plans and conduct competitive procurement processes in accordance with the requirements of Section 16-111.5 of the Public Utilities Act for the eligible retail customers of electric utilities that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois. Beginning with the delivery year commencing on June 1, 2017, the Planning and Procurement Bureau shall develop plans and processes for the procurement of zero emission credits from zero emission facilities in accordance with the requirements of subsection (d-5) of this Section. Beginning on the effective date of this amendatory Act of the 102nd General Assembly, the Planning and Procurement Bureau shall develop plans and processes for the procurement of carbon mitigation credits from carbon-free energy resources in accordance with the requirements of subsection (d-10) of this Section. The Planning and Procurement Bureau shall also develop procurement plans and conduct competitive procurement processes in accordance with the requirements of Section 16-111.5 of the Public Utilities Act for the eligible retail customers of small

multi-jurisdictional electric utilities that (i) on December 31, 2005 served less than 100,000 customers in Illinois and (ii) request a procurement plan for their Illinois jurisdictional load. This Section shall not apply to a small multi-jurisdictional utility until such time as a small multi-jurisdictional utility requests the Agency to prepare a procurement plan for their Illinois jurisdictional load. For the purposes of this Section, the term "eligible retail customers" has the same definition as found in Section 16-111.5(a) of the Public Utilities Act.

Beginning with the plan or plans to be implemented in the 2017 delivery year, the Agency shall no longer include the procurement of renewable energy resources in the annual procurement plans required by this subsection (a), except as provided in subsection (q) of Section 16-111.5 of the Public Utilities Act, and shall instead develop a long-term renewable resources procurement plan in accordance with subsection (c) of this Section and Section 16-111.5 of the Public Utilities Act.

In accordance with subsection (c-5) of this Section, the Planning and Procurement Bureau shall oversee the procurement by electric utilities that served more than 300,000 retail customers in this State as of January 1, 2019 of renewable energy credits from new utility-scale solar projects to be installed, along with energy storage facilities, at or adjacent to the sites of electric generating facilities that,

as of January 1, 2016, burned coal as their primary fuel source.

(1) The Agency shall each year, beginning in 2008, as needed, issue a request for qualifications for experts or expert consulting firms to develop the procurement plans in accordance with Section 16-111.5 of the Public Utilities Act. In order to qualify an expert or expert consulting firm must have:

(A) direct previous experience assembling large-scale power supply plans or portfolios for end-use customers;

(B) an advanced degree in economics, mathematics, engineering, risk management, or a related area of study;

(C) 10 years of experience in the electricity sector, including managing supply risk;

(D) expertise in wholesale electricity market rules, including those established by the Federal Energy Regulatory Commission and regional transmission organizations;

(E) expertise in credit protocols and familiarity with contract protocols;

(F) adequate resources to perform and fulfill the required functions and responsibilities; and

(G) the absence of a conflict of interest and inappropriate bias for or against potential bidders or

the affected electric utilities.

(2) The Agency shall each year, as needed, issue a request for qualifications for a procurement administrator to conduct the competitive procurement processes in accordance with Section 16-111.5 of the Public Utilities Act. In order to qualify an expert or expert consulting firm must have:

(A) direct previous experience administering a large-scale competitive procurement process;

(B) an advanced degree in economics, mathematics, engineering, or a related area of study;

(C) 10 years of experience in the electricity sector, including risk management experience;

(D) expertise in wholesale electricity market rules, including those established by the Federal Energy Regulatory Commission and regional transmission organizations;

(E) expertise in credit and contract protocols;

(F) adequate resources to perform and fulfill the required functions and responsibilities; and

(G) the absence of a conflict of interest and inappropriate bias for or against potential bidders or the affected electric utilities.

(3) The Agency shall provide affected utilities and other interested parties with the lists of qualified experts or expert consulting firms identified through the

request for qualifications processes that are under consideration to develop the procurement plans and to serve as the procurement administrator. The Agency shall also provide each qualified expert's or expert consulting firm's response to the request for qualifications. All information provided under this subparagraph shall also be provided to the Commission. The Agency may provide by rule for fees associated with supplying the information to utilities and other interested parties. These parties shall, within 5 business days, notify the Agency in writing if they object to any experts or expert consulting firms on the lists. Objections shall be based on:

(A) failure to satisfy qualification criteria;

(B) identification of a conflict of interest; or

(C) evidence of inappropriate bias for or against potential bidders or the affected utilities.

The Agency shall remove experts or expert consulting firms from the lists within 10 days if there is a reasonable basis for an objection and provide the updated lists to the affected utilities and other interested parties. If the Agency fails to remove an expert or expert consulting firm from a list, an objecting party may seek review by the Commission within 5 days thereafter by filing a petition, and the Commission shall render a ruling on the petition within 10 days. There is no right of appeal of the Commission's ruling.

(4) The Agency shall issue requests for proposals to the qualified experts or expert consulting firms to develop a procurement plan for the affected utilities and to serve as procurement administrator.

(5) The Agency shall select an expert or expert consulting firm to develop procurement plans based on the proposals submitted and shall award contracts of up to 5 years to those selected.

(6) The Agency shall select an expert or expert consulting firm, with approval of the Commission, to serve as procurement administrator based on the proposals submitted. If the Commission rejects, within 5 days, the Agency's selection, the Agency shall submit another recommendation within 3 days based on the proposals submitted. The Agency shall award a 5-year contract to the expert or expert consulting firm so selected with Commission approval.

(b) The experts or expert consulting firms retained by the Agency shall, as appropriate, prepare procurement plans, and conduct a competitive procurement process as prescribed in Section 16-111.5 of the Public Utilities Act, to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability, for eligible retail customers of electric utilities that on December 31, 2005 provided electric service to at least

100,000 customers in the State of Illinois, and for eligible Illinois retail customers of small multi-jurisdictional electric utilities that (i) on December 31, 2005 served less than 100,000 customers in Illinois and (ii) request a procurement plan for their Illinois jurisdictional load.

(c) Renewable portfolio standard.

(1)(A) The Agency shall develop a long-term renewable resources procurement plan that shall include procurement programs and competitive procurement events necessary to meet the goals set forth in this subsection (c). The initial long-term renewable resources procurement plan shall be released for comment no later than 160 days after June 1, 2017 (the effective date of Public Act 99-906). The Agency shall review, and may revise on an expedited basis, the long-term renewable resources procurement plan at least every 2 years, which shall be conducted in conjunction with the procurement plan under Section 16-111.5 of the Public Utilities Act to the extent practicable to minimize administrative expense. No later than 120 days after the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall release for comment a revision to the long-term renewable resources procurement plan, updating elements of the most recently approved plan as needed to comply with this amendatory Act of the 102nd General Assembly, and any long-term renewable resources procurement plan update

published by the Agency but not yet approved by the Illinois Commerce Commission shall be withdrawn. The long-term renewable resources procurement plans shall be subject to review and approval by the Commission under Section 16-111.5 of the Public Utilities Act.

(B) Subject to subparagraph (F) of this paragraph (1), the long-term renewable resources procurement plan shall attempt to meet ~~include~~ the goals for procurement of renewable energy credits at levels of ~~to meet~~ at least the following overall percentages: 13% by the 2017 delivery year; increasing by at least 1.5% each delivery year thereafter to at least 25% by the 2025 delivery year; increasing by at least 3% each delivery year thereafter to at least 40% by the 2030 delivery year, and continuing at no less than 40% ~~25%~~ for each delivery year thereafter. The Agency shall attempt to procure 50% by delivery year 2040. The Agency shall determine the annual increase between delivery year 2030 and delivery year 2040, if any, taking into account energy demand, other energy resources, and other public policy goals. In the event of a conflict between these goals and the new wind and new photovoltaic procurement requirements described in items (i) through (iii) of subparagraph (C) of this paragraph (1), the long-term plan shall prioritize compliance with the new wind and new photovoltaic procurement requirements described in items (i) through (iii) of subparagraph (C)

of this paragraph (1) over the annual percentage targets described in this subparagraph (B). The Agency shall not comply with the annual percentage targets described in this subparagraph (B) by procuring renewable energy credits that are unlikely to lead to the development of new renewable resources.

For the delivery year beginning June 1, 2017, the procurement plan shall attempt to include, subject to the prioritization outlined in this subparagraph (B), cost-effective renewable energy resources equal to at least 13% of each utility's load for eligible retail customers and 13% of the applicable portion of each utility's load for retail customers who are not eligible retail customers, which applicable portion shall equal 50% of the utility's load for retail customers who are not eligible retail customers on February 28, 2017.

For the delivery year beginning June 1, 2018, the procurement plan shall attempt to include, subject to the prioritization outlined in this subparagraph (B), cost-effective renewable energy resources equal to at least 14.5% of each utility's load for eligible retail customers and 14.5% of the applicable portion of each utility's load for retail customers who are not eligible retail customers, which applicable portion shall equal 75% of the utility's load for retail customers who are not eligible retail customers on February 28, 2017.

For the delivery year beginning June 1, 2019, and for each year thereafter, the procurement plans shall attempt to include, subject to the prioritization outlined in this subparagraph (B), cost-effective renewable energy resources equal to a minimum percentage of each utility's load for all retail customers as follows: 16% by June 1, 2019; increasing by 1.5% each year thereafter to 25% by June 1, 2025; and 25% by June 1, 2026; increasing by at least 3% each delivery year thereafter to at least 40% by the 2030 delivery year, and continuing at no less than 40% for each delivery year thereafter. The Agency shall attempt to procure 50% by delivery year 2040. The Agency shall determine the annual increase between delivery year 2030 and delivery year 2040, if any, taking into account energy demand, other energy resources, and other public policy goals.

For each delivery year, the Agency shall first recognize each utility's obligations for that delivery year under existing contracts. Any renewable energy credits under existing contracts, including renewable energy credits as part of renewable energy resources, shall be used to meet the goals set forth in this subsection (c) for the delivery year.

(C) ~~Of the renewable energy credits procured under this subsection (c), at least 75% shall come from wind and photovoltaic projects.~~ The long-term renewable resources

procurement plan described in subparagraph (A) of this paragraph (1) shall include the procurement of renewable energy credits from new projects in amounts equal to at least the following:

(i) 10,000,000 renewable energy credits delivered annually by the end of the 2021 delivery year, and increasing ratably to reach 45,000,000 renewable energy credits delivered annually from new wind and solar projects by the end of delivery year 2030 such that the goals in subparagraph (B) of this paragraph (1) are met entirely by procurements of renewable energy credits from new wind and photovoltaic projects. Of ~~By the end of the 2020 delivery year: At least 2,000,000 renewable energy credits for each delivery year shall come from new wind projects; and At least 2,000,000 renewable energy credits for each delivery year shall come from new photovoltaic projects; of~~ that amount, to the extent possible, the Agency shall procure 45% from wind projects and 55% from photovoltaic projects. Of the amount to be procured from photovoltaic projects, the Agency shall procure: at least 50% from solar photovoltaic projects using the program outlined in subparagraph (K) of this paragraph (1) from distributed renewable energy generation devices or community renewable generation projects; at least 47% ~~40%~~ from utility-scale solar

projects; at least 3% ~~2%~~ from brownfield site photovoltaic projects that are not community renewable generation projects~~; and the remainder shall be determined through the long-term planning process described in subparagraph (A) of this paragraph (1)~~.

In developing the long-term renewable resources procurement plan, the Agency shall consider other approaches, in addition to competitive procurements, that can be used to procure renewable energy credits from brownfield site photovoltaic projects and thereby help return blighted or contaminated land to productive use while enhancing public health and the well-being of Illinois residents, including those in environmental justice communities, as defined using existing methodologies and findings used by the Agency and its Administrator in its Illinois Solar for All Program.

(ii) In any given delivery year, if forecasted expenses are less than the maximum budget available under subparagraph (E) of this paragraph (1), the Agency shall continue to procure new renewable energy credits until that budget is exhausted in the manner outlined in item (i) of this subparagraph (C). ~~By the end of the 2025 delivery year:~~

~~At least 3,000,000 renewable energy credits for each delivery year shall come from new wind~~

~~projects; and~~

~~At least 3,000,000 renewable energy credits for each delivery year shall come from new photovoltaic projects; of that amount, to the extent possible, the Agency shall procure: at least 50% from solar photovoltaic projects using the program outlined in subparagraph (K) of this paragraph (1) from distributed renewable energy devices or community renewable generation projects; at least 40% from utility scale solar projects; at least 2% from brownfield site photovoltaic projects that are not community renewable generation projects; and the remainder shall be determined through the long-term planning process described in subparagraph (A) of this paragraph (1).~~

~~(iii) By the end of the 2030 delivery year:~~

~~At least 4,000,000 renewable energy credits for each delivery year shall come from new wind projects; and~~

~~At least 4,000,000 renewable energy credits for each delivery year shall come from new photovoltaic projects; of that amount, to the extent possible, the Agency shall procure: at least 50% from solar photovoltaic projects using the program outlined in subparagraph (K) of this~~

~~paragraph (1) from distributed renewable energy devices or community renewable generation projects; at least 40% from utility-scale solar projects; at least 2% from brownfield site photovoltaic projects that are not community renewable generation projects; and the remainder shall be determined through the long term planning process described in subparagraph (A) of this paragraph (1).~~

(iii) For purposes of this Section:

"New wind projects" means wind renewable energy facilities that are energized after June 1, 2017 for the delivery year commencing June 1, 2017 ~~or within 3 years after the date the Commission approves contracts for subsequent delivery years~~.

"New photovoltaic projects" means photovoltaic renewable energy facilities that are energized after June 1, 2017. Photovoltaic projects developed under Section 1-56 of this Act shall not apply towards the new photovoltaic project requirements in this subparagraph (C).

For purposes of calculating whether the Agency has procured enough new wind and solar renewable energy credits required by this subparagraph (C), renewable energy facilities that have a multi-year renewable energy credit delivery contract with the utility

through at least delivery year 2030 shall be considered new, however no renewable energy credits from contracts entered into before June 1, 2021 shall be used to calculate whether the Agency has procured the correct proportion of new wind and new solar contracts described in this subparagraph (C) for delivery year 2021 and thereafter.

(D) Renewable energy credits shall be cost effective. For purposes of this subsection (c), "cost effective" means that the costs of procuring renewable energy resources do not cause the limit stated in subparagraph (E) of this paragraph (1) to be exceeded and, for renewable energy credits procured through a competitive procurement event, do not exceed benchmarks based on market prices for like products in the region. For purposes of this subsection (c), "like products" means contracts for renewable energy credits from the same or substantially similar technology, same or substantially similar vintage (new or existing), the same or substantially similar quantity, and the same or substantially similar contract length and structure. Benchmarks shall reflect development, financing, or related costs resulting from requirements imposed through other provisions of State law, including, but not limited to, requirements in subparagraphs (P) and (Q) of this paragraph (1) and the Renewable Energy Facilities

Agricultural Impact Mitigation Act. Confidential benchmarks ~~Benchmarks~~ shall be developed by the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor and shall be subject to Commission review and approval. If price benchmarks for like products in the region are not available, the procurement administrator shall establish price benchmarks based on publicly available data on regional technology costs and expected current and future regional energy prices. The benchmarks in this Section shall not be used to curtail or otherwise reduce contractual obligations entered into by or through the Agency prior to June 1, 2017 (the effective date of Public Act 99-906).

(E) For purposes of this subsection (c), the required procurement of cost-effective renewable energy resources for a particular year commencing prior to June 1, 2017 shall be measured as a percentage of the actual amount of electricity (megawatt-hours) supplied by the electric utility to eligible retail customers in the delivery year ending immediately prior to the procurement, and, for delivery years commencing on and after June 1, 2017, the required procurement of cost-effective renewable energy resources for a particular year shall be measured as a percentage of the actual amount of electricity (megawatt-hours) delivered by the electric utility in the

delivery year ending immediately prior to the procurement, to all retail customers in its service territory. For purposes of this subsection (c), the amount paid per kilowatthour means the total amount paid for electric service expressed on a per kilowatthour basis. For purposes of this subsection (c), the total amount paid for electric service includes without limitation amounts paid for supply, transmission, capacity, distribution, surcharges, and add-on taxes.

Notwithstanding the requirements of this subsection (c), the total of renewable energy resources procured under the procurement plan for any single year shall be subject to the limitations of this subparagraph (E). Such procurement shall be reduced for all retail customers based on the amount necessary to limit the annual estimated average net increase due to the costs of these resources included in the amounts paid by eligible retail customers in connection with electric service to no more than 4.25% ~~the greater of 2.015%~~ of the amount paid per kilowatthour by those customers during the year ending May 31, 2009 ~~2007 or the incremental amount per kilowatthour paid for these resources in 2011~~. To arrive at a maximum dollar amount of renewable energy resources to be procured for the particular delivery year, the resulting per kilowatthour amount shall be applied to the actual amount of kilowatthours of electricity delivered, or applicable

portion of such amount as specified in paragraph (1) of this subsection (c), as applicable, by the electric utility in the delivery year immediately prior to the procurement to all retail customers in its service territory. The calculations required by this subparagraph (E) shall be made only once for each delivery year at the time that the renewable energy resources are procured. Once the determination as to the amount of renewable energy resources to procure is made based on the calculations set forth in this subparagraph (E) and the contracts procuring those amounts are executed, no subsequent rate impact determinations shall be made and no adjustments to those contract amounts shall be allowed. All costs incurred under such contracts shall be fully recoverable by the electric utility as provided in this Section.

(F) If the limitation on the amount of renewable energy resources procured in subparagraph (E) of this paragraph (1) prevents the Agency from meeting all of the goals in this subsection (c), the Agency's long-term plan shall prioritize compliance with the requirements of this subsection (c) regarding renewable energy credits in the following order:

(i) renewable energy credits under existing contractual obligations <u>as of June 1, 2021</u>;

(i-5) funding for the Illinois Solar for All

Program, as described in subparagraph (O) of this paragraph (1);

(ii) renewable energy credits necessary to comply with the new wind and new photovoltaic procurement requirements described in items (i) through (iii) of subparagraph (C) of this paragraph (1); and

(iii) renewable energy credits necessary to meet the remaining requirements of this subsection (c).

(G) The following provisions shall apply to the Agency's procurement of renewable energy credits under this subsection (c):

(i) Notwithstanding whether a long-term renewable resources procurement plan has been approved, the Agency shall conduct an initial forward procurement for renewable energy credits from new utility-scale wind projects within 160 days after June 1, 2017 (the effective date of Public Act 99-906). For the purposes of this initial forward procurement, the Agency shall solicit 15-year contracts for delivery of 1,000,000 renewable energy credits delivered annually from new utility-scale wind projects to begin delivery on June 1, 2019, if available, but not later than June 1, 2021, unless the project has delays in the establishment of an operating interconnection with the applicable transmission or distribution system as a result of the actions or inactions of the transmission or

distribution provider, or other causes for force majeure as outlined in the procurement contract, in which case, not later than June 1, 2022. Payments to suppliers of renewable energy credits shall commence upon delivery. Renewable energy credits procured under this initial procurement shall be included in the Agency's long-term plan and shall apply to all renewable energy goals in this subsection (c).

(ii) Notwithstanding whether a long-term renewable resources procurement plan has been approved, the Agency shall conduct an initial forward procurement for renewable energy credits from new utility-scale solar projects and brownfield site photovoltaic projects within one year after June 1, 2017 (the effective date of Public Act 99-906). For the purposes of this initial forward procurement, the Agency shall solicit 15-year contracts for delivery of 1,000,000 renewable energy credits delivered annually from new utility-scale solar projects and brownfield site photovoltaic projects to begin delivery on June 1, 2019, if available, but not later than June 1, 2021, unless the project has delays in the establishment of an operating interconnection with the applicable transmission or distribution system as a result of the actions or inactions of the transmission or distribution provider, or other causes for force

majeure as outlined in the procurement contract, in which case, not later than June 1, 2022. The Agency may structure this initial procurement in one or more discrete procurement events. Payments to suppliers of renewable energy credits shall commence upon delivery. Renewable energy credits procured under this initial procurement shall be included in the Agency's long-term plan and shall apply to all renewable energy goals in this subsection (c).

(iii) Notwithstanding whether the Commission has approved the periodic long-term renewable resources procurement plan revision described in Section 16-111.5 of the Public Utilities Act, the Agency shall conduct at least one subsequent forward procurement for renewable energy credits from new utility-scale wind projects, new utility-scale solar projects, and new brownfield site photovoltaic projects within 240 days after the effective date of this amendatory Act of the 102nd General Assembly in quantities necessary to meet the requirements of subparagraph (C) of this paragraph (1) through the delivery year beginning June 1, 2021. ~~Subsequent forward procurements for utility-scale wind projects shall solicit at least 1,000,000 renewable energy credits delivered annually per procurement event and shall be planned, scheduled, and designed such that the cumulative amount of~~

~~renewable energy credits delivered from all new wind projects in each delivery year shall not exceed the Agency's projection of the cumulative amount of renewable energy credits that will be delivered from all new photovoltaic projects, including utility scale and distributed photovoltaic devices, in the same delivery year at the time scheduled for wind contract delivery.~~

(iv) Notwithstanding whether the Commission has approved the periodic long-term renewable resources procurement plan revision described in Section 16-111.5 of the Public Utilities Act, the Agency shall open capacity for each category in the Adjustable Block program within 90 days after the effective date of this amendatory Act of the 102nd General Assembly manner:

(1) The Agency shall open the first block of annual capacity for the category described in item (i) of subparagraph (K) of this paragraph (1). The first block of annual capacity for item (i) shall be for at least 75 megawatts of total nameplate capacity. The price of the renewable energy credit for this block of capacity shall be 4% less than the price of the last open block in this category. Projects on a waitlist shall be awarded contracts first in the order in which they appear on the

waitlist. Notwithstanding anything to the contrary, for those renewable energy credits that qualify and are procured under this subitem (1) of this item (iv), the renewable energy credit delivery contract value shall be paid in full, based on the estimated generation during the first 15 years of operation, by the contracting utilities at the time that the facility producing the renewable energy credits is interconnected at the distribution system level of the utility and verified as energized and in compliance by the Program Administrator. The electric utility shall receive and retire all renewable energy credits generated by the project for the first 15 years of operation. Renewable energy credits generated by the project thereafter shall not be transferred under the renewable energy credit delivery contract with the counterparty electric utility.

(2) The Agency shall open the first block of annual capacity for the category described in item (ii) of subparagraph (K) of this paragraph (1). The first block of annual capacity for item (ii) shall be for at least 75 megawatts of total nameplate capacity.

(A) The price of the renewable energy credit for any project on a waitlist for this

category before the opening of this block shall be 4% less than the price of the last open block in this category. Projects on the waitlist shall be awarded contracts first in the order in which they appear on the waitlist. Any projects that are less than or equal to 25 kilowatts in size on the waitlist for this capacity shall be moved to the waitlist for paragraph (1) of this item (iv). Notwithstanding anything to the contrary, projects that were on the waitlist prior to opening of this block shall not be required to be in compliance with the requirements of subparagraph (Q) of this paragraph (1) of this subsection (c). Notwithstanding anything to the contrary, for those renewable energy credits procured from projects that were on the waitlist for this category before the opening of this block 20% of the renewable energy credit delivery contract value, based on the estimated generation during the first 15 years of operation, shall be paid by the contracting utilities at the time that the facility producing the renewable energy credits is interconnected at the distribution system level of the utility and verified as

energized by the Program Administrator. The remaining portion shall be paid ratably over the subsequent 4-year period. The electric utility shall receive and retire all renewable energy credits generated by the project during the first 15 years of operation. Renewable energy credits generated by the project thereafter shall not be transferred under the renewable energy credit delivery contract with the counterparty electric utility.

(B) The price of renewable energy credits for any project not on the waitlist for this category before the opening of the block shall be determined and published by the Agency. Projects not on a waitlist as of the opening of this block shall be subject to the requirements of subparagraph (Q) of this paragraph (1), as applicable. Projects not on a waitlist as of the opening of this block shall be subject to the contract provisions outlined in item (iii) of subparagraph (L) of this paragraph (1). The Agency shall strive to publish updated prices and an updated renewable energy credit delivery contract as quickly as possible.

(3) For opening the first 2 blocks of annual

capacity for projects participating in item (iii) of subparagraph (K) of paragraph (1) of subsection (c), projects shall be selected exclusively from those projects on the ordinal waitlists of community renewable generation projects established by the Agency based on the status of those ordinal waitlists as of December 31, 2020, and only those projects previously determined to be eligible for the Agency's April 2019 community solar project selection process.

The first 2 blocks of annual capacity for item (iii) shall be for 250 megawatts of total nameplate capacity, with both blocks opening simultaneously under the schedule outlined in the paragraphs below. Projects shall be selected as follows:

(A) The geographic balance of selected projects shall follow the Group classification found in the Agency's Revised Long-Term Renewable Resources Procurement Plan, with 70% of capacity allocated to projects on the Group B waitlist and 30% of capacity allocated to projects on the Group A waitlist.

(B) Contract awards for waitlisted projects shall be allocated proportionate to the total nameplate capacity amount across

both ordinal waitlists associated with that applicant firm or its affiliates, subject to the following conditions.

(i) Each applicant firm having a waitlisted project eligible for selection shall receive no less than 500 kilowatts in awarded capacity across all groups, and no approved vendor may receive more than 20% of each Group's waitlist allocation.

(ii) Each applicant firm, upon receiving an award of program capacity proportionate to its waitlisted capacity, may then determine which waitlisted projects it chooses to be selected for a contract award up to that capacity amount.

(iii) Assuming all other program requirements are met, applicant firms may adjust the nameplate capacity of applicant projects without losing waitlist eligibility, so long as no project is greater than 2,000 kilowatts in size.

(iv) Assuming all other program requirements are met, applicant firms may adjust the expected production associated with applicant projects, subject to verification by the Program Administrator.

(C) After a review of affiliate information and the current ordinal waitlists, the Agency shall announce the nameplate capacity award amounts associated with applicant firms no later than 90 days after the effective date of this amendatory Act of the 102nd General Assembly.

(D) Applicant firms shall submit their portfolio of projects used to satisfy those contract awards no less than 90 days after the Agency's announcement. The total nameplate capacity of all projects used to satisfy that portfolio shall be no greater than the Agency's nameplate capacity award amount associated with that applicant firm. An applicant firm may decline, in whole or in part, its nameplate capacity award without penalty, with such unmet capacity rolled over to the next block opening for project selection under item (iii) of subparagraph (K) of this subsection (c). Any projects not included in an applicant firm's portfolio may reapply without prejudice upon the next block reopening for project selection under item (iii) of subparagraph (K) of this subsection (c).

(E) The renewable energy credit delivery contract shall be subject to the contract and payment terms outlined in item (iv) of subparagraph (L) of this subsection (c). Contract instruments used for this subparagraph shall contain the following terms:

(i) Renewable energy credit prices shall be fixed, without further adjustment under any other provision of this Act or for any other reason, at 10% lower than prices applicable to the last open block for this category, inclusive of any adders available for achieving a minimum of 50% of subscribers to the project's nameplate capacity being residential or small commercial customers with subscriptions of below 25 kilowatts in size;

(ii) A requirement that a minimum of 50% of subscribers to the project's nameplate capacity be residential or small commercial customers with subscriptions of below 25 kilowatts in size;

(iii) Permission for the ability of a contract holder to substitute projects with other waitlisted projects without

penalty should a project receive a non-binding estimate of costs to construct the interconnection facilities and any required distribution upgrades associated with that project of greater than 30 cents per watt AC of that project's nameplate capacity. In developing the applicable contract instrument, the Agency may consider whether other circumstances outside of the control of the applicant firm should also warrant project substitution rights.

The Agency shall publish a finalized updated renewable energy credit delivery contract developed consistent with these terms and conditions no less than 30 days before applicant firms must submit their portfolio of projects pursuant to item (D).

(F) To be eligible for an award, the applicant firm shall certify that not less than prevailing wage, as determined pursuant to the Illinois Prevailing Wage Act, was or will be paid to employees who are engaged in construction activities associated with a selected project.

(4) The Agency shall open the first block of

annual capacity for the category described in item (iv) of subparagraph (K) of this paragraph (1). The first block of annual capacity for item (iv) shall be for at least 50 megawatts of total nameplate capacity. Renewable energy credit prices shall be fixed, without further adjustment under any other provision of this Act or for any other reason, at the price in the last open block in the category described in item (ii) of subparagraph (K) of this paragraph (1). Pricing for future blocks of annual capacity for this category may be adjusted in the Agency's second revision to its Long-Term Renewable Resources Procurement Plan. Projects in this category shall be subject to the contract terms outlined in item (iv) of subparagraph (L) of this paragraph (1).

(5) The Agency shall open the equivalent of 2 years of annual capacity for the category described in item (v) of subparagraph (K) of this paragraph (1). The first block of annual capacity for item (v) shall be for at least 10 megawatts of total nameplate capacity. Notwithstanding the provisions of item (v) of subparagraph (K) of this paragraph (1), for the purpose of this initial block, the agency shall accept new project applications intended to increase the diversity of

areas hosting community solar projects, the business models of projects, and the size of projects, as described by the Agency in its long-term renewable resources procurement plan that is approved as of the effective date of this amendatory Act of the 102nd General Assembly. Projects in this category shall be subject to the contract terms outlined in item (iii) of subsection (L) of this paragraph (1).

(6) The Agency shall open the first blocks of annual capacity for the category described in item (vi) of subparagraph (K) of this paragraph (1), with allocations of capacity within the block generally matching the historical share of block capacity allocated between the category described in items (i) and (ii) of subparagraph (K) of this paragraph (1). The first two blocks of annual capacity for item (vi) shall be for at least 75 megawatts of total nameplate capacity. The price of renewable energy credits for the blocks of capacity shall be 4% less than the price of the last open blocks in the categories described in items (i) and (ii) of subparagraph (K) of this paragraph (1). Pricing for future blocks of annual capacity for this category may be adjusted in the Agency's second revision to its Long-Term

Renewable Resources Procurement Plan. Projects in this category shall be subject to the applicable contract terms outlined in items (ii) and (iii) of subparagraph (L) of this paragraph (1). ~~If, at any time after the time set for delivery of renewable energy credits pursuant to the initial procurements in items (i) and (ii) of this subparagraph (G), the cumulative amount of renewable energy credits projected to be delivered from all new wind projects in a given delivery year exceeds the cumulative amount of renewable energy credits projected to be delivered from all new photovoltaic projects in that delivery year by 200,000 or more renewable energy credits, then the Agency shall within 60 days adjust the procurement programs in the long term renewable resources procurement plan to ensure that the projected cumulative amount of renewable energy credits to be delivered from all new wind projects does not exceed the projected cumulative amount of renewable energy credits to be delivered from all new photovoltaic projects by 200,000 or more renewable energy credits, provided that nothing in this Section shall preclude the projected cumulative amount of renewable energy credits to be delivered from all new photovoltaic projects~~

~~from exceeding the projected cumulative amount of renewable energy credits to be delivered from all new wind projects in each delivery year and provided further that nothing in this item (iv) shall require the curtailment of an executed contract. The Agency shall update, on a quarterly basis, its projection of the renewable energy credits to be delivered from all projects in each delivery year. Notwithstanding anything to the contrary, the Agency may adjust the timing of procurement events conducted under this subparagraph (C). The long-term renewable resources procurement plan shall set forth the process by which the adjustments may be made.~~

(v) Upon the effective date of this amendatory Act of the 102nd General Assembly, for all competitive procurements and any procurements of renewable energy credit from new utility-scale wind and new utility-scale photovoltaic projects, the Agency shall procure indexed renewable energy credits and direct respondents to offer a strike price.

(1) The purchase price of the indexed renewable energy credit payment shall be calculated for each settlement period. That payment, for any settlement period, shall be equal to the difference resulting from subtracting the

strike price from the index price for that settlement period. If this difference results in a negative number, the indexed REC counterparty shall owe the seller the absolute value multiplied by the quantity of energy produced in the relevant settlement period. If this difference results in a positive number, the seller shall owe the indexed REC counterparty this amount multiplied by the quantity of energy produced in the relevant settlement period.

(2) Parties shall cash settle every month, summing up all settlements (both positive and negative, if applicable) for the prior month.

(3) To ensure funding in the annual budget established under subparagraph (E) for indexed renewable energy credit procurements for each year of the term of such contracts, which must have a minimum tenure of 20 calendar years, the procurement administrator, Agency, Commission staff, and procurement monitor shall quantify the annual cost of the contract by utilizing an industry-standard, third-party forward price curve for energy at the appropriate hub or load zone, including the estimated magnitude and timing of the price effects related to federal carbon controls. Each forward price curve shall contain a

specific value of the forecasted market price of electricity for each annual delivery year of the contract. For procurement planning purposes, the impact on the annual budget for the cost of indexed renewable energy credits for each delivery year shall be determined as the expected annual contract expenditure for that year, equaling the difference between (i) the sum across all relevant contracts of the applicable strike price multiplied by contract quantity and (ii) the sum across all relevant contracts of the forward price curve for the applicable load zone for that year multiplied by contract quantity. The contracting utility shall not assume an obligation in excess of the estimated annual cost of the contracts for indexed renewable energy credits. Forward curves shall be revised on an annual basis as updated forward price curves are released and filed with the Commission in the proceeding approving the Agency's most recent long-term renewable resources procurement plan. If the expected contract spend is higher or lower than the total quantity of contracts multiplied by the forward price curve value for that year, the forward price curve shall be updated by the procurement administrator, in consultation with the Agency, Commission staff,

and procurement monitors, using then-currently available price forecast data and additional budget dollars shall be obligated or reobligated as appropriate.

(4) To ensure that indexed renewable energy credit prices remain predictable and affordable, the Agency may consider the institution of a price collar on REC prices paid under indexed renewable energy credit procurements establishing floor and ceiling REC prices applicable to indexed REC contract prices. Any price collars applicable to indexed REC procurements shall be proposed by the Agency through its long-term renewable resources procurement plan.

(vi) ~~(v)~~ All procurements under this subparagraph (G) shall comply with the geographic requirements in subparagraph (I) of this paragraph (1) and shall follow the procurement processes and procedures described in this Section and Section 16-111.5 of the Public Utilities Act to the extent practicable, and these processes and procedures may be expedited to accommodate the schedule established by this subparagraph (G).

(H) The procurement of renewable energy resources for a given delivery year shall be reduced as described in this subparagraph (H) if an alternative retail electric

supplier meets the requirements described in this subparagraph (H).

(i) Within 45 days after June 1, 2017 (the effective date of Public Act 99-906), an alternative retail electric supplier or its successor shall submit an informational filing to the Illinois Commerce Commission certifying that, as of December 31, 2015, the alternative retail electric supplier owned one or more electric generating facilities that generates renewable energy resources as defined in Section 1-10 of this Act, provided that such facilities are not powered by wind or photovoltaics, and the facilities generate one renewable energy credit for each megawatthour of energy produced from the facility.

The informational filing shall identify each facility that was eligible to satisfy the alternative retail electric supplier's obligations under Section 16-115D of the Public Utilities Act as described in this item (i).

(ii) For a given delivery year, the alternative retail electric supplier may elect to supply its retail customers with renewable energy credits from the facility or facilities described in item (i) of this subparagraph (H) that continue to be owned by the alternative retail electric supplier.

(iii) The alternative retail electric supplier

shall notify the Agency and the applicable utility, no later than February 28 of the year preceding the applicable delivery year or 15 days after June 1, 2017 (the effective date of Public Act 99-906), whichever is later, of its election under item (ii) of this subparagraph (H) to supply renewable energy credits to retail customers of the utility. Such election shall identify the amount of renewable energy credits to be supplied by the alternative retail electric supplier to the utility's retail customers and the source of the renewable energy credits identified in the informational filing as described in item (i) of this subparagraph (H), subject to the following limitations:

For the delivery year beginning June 1, 2018, the maximum amount of renewable energy credits to be supplied by an alternative retail electric supplier under this subparagraph (H) shall be 68% multiplied by 25% multiplied by 14.5% multiplied by the amount of metered electricity (megawatt-hours) delivered by the alternative retail electric supplier to Illinois retail customers during the delivery year ending May 31, 2016.

For delivery years beginning June 1, 2019 and each year thereafter, the maximum amount of

renewable energy credits to be supplied by an alternative retail electric supplier under this subparagraph (H) shall be 68% multiplied by 50% multiplied by 16% multiplied by the amount of metered electricity (megawatt-hours) delivered by the alternative retail electric supplier to Illinois retail customers during the delivery year ending May 31, 2016, provided that the 16% value shall increase by 1.5% each delivery year thereafter to 25% by the delivery year beginning June 1, 2025, and thereafter the 25% value shall apply to each delivery year.

For each delivery year, the total amount of renewable energy credits supplied by all alternative retail electric suppliers under this subparagraph (H) shall not exceed 9% of the Illinois target renewable energy credit quantity. The Illinois target renewable energy credit quantity for the delivery year beginning June 1, 2018 is 14.5% multiplied by the total amount of metered electricity (megawatt-hours) delivered in the delivery year immediately preceding that delivery year, provided that the 14.5% shall increase by 1.5% each delivery year thereafter to 25% by the delivery year beginning June 1, 2025, and thereafter the 25% value shall apply to each delivery year.

If the requirements set forth in items (i) through

(iii) of this subparagraph (H) are met, the charges that would otherwise be applicable to the retail customers of the alternative retail electric supplier under paragraph (6) of this subsection (c) for the applicable delivery year shall be reduced by the ratio of the quantity of renewable energy credits supplied by the alternative retail electric supplier compared to that supplier's target renewable energy credit quantity. The supplier's target renewable energy credit quantity for the delivery year beginning June 1, 2018 is 14.5% multiplied by the total amount of metered electricity (megawatt-hours) delivered by the alternative retail supplier in that delivery year, provided that the 14.5% shall increase by 1.5% each delivery year thereafter to 25% by the delivery year beginning June 1, 2025, and thereafter the 25% value shall apply to each delivery year.

On or before April 1 of each year, the Agency shall annually publish a report on its website that identifies the aggregate amount of renewable energy credits supplied by alternative retail electric suppliers under this subparagraph (H).

(I) The Agency shall design its long-term renewable energy procurement plan to maximize the State's interest in the health, safety, and welfare of its residents, including but not limited to minimizing sulfur dioxide,

nitrogen oxide, particulate matter and other pollution that adversely affects public health in this State, increasing fuel and resource diversity in this State, enhancing the reliability and resiliency of the electricity distribution system in this State, meeting goals to limit carbon dioxide emissions under federal or State law, and contributing to a cleaner and healthier environment for the citizens of this State. In order to further these legislative purposes, renewable energy credits shall be eligible to be counted toward the renewable energy requirements of this subsection (c) if they are generated from facilities located in this State. The Agency may qualify renewable energy credits from facilities located in states adjacent to Illinois or renewable energy credits associated with the electricity generated by a utility-scale wind energy facility or utility-scale photovoltaic facility and transmitted by a qualifying direct current project described in subsection (b-5) of Section 8-406 of the Public Utilities Act to a delivery point on the electric transmission grid located in this State or a state adjacent to Illinois, if the generator demonstrates and the Agency determines that the operation of such facility or facilities will help promote the State's interest in the health, safety, and welfare of its residents based on the public interest criteria described above. For the purposes of this Section,

renewable resources that are delivered via a high voltage direct current converter station located in Illinois shall be deemed generated in Illinois at the time and location the energy is converted to alternating current by the high voltage direct current converter station if the high voltage direct current transmission line: (i) was constructed with a project labor agreement; (ii) is capable of transmitting electricity at 525kv; (iii) has an Illinois converter station located and interconnected in the region of the PJM Interconnection, LLC; (iv) does not operate as a public utility; and (v) if the high voltage direct current transmission line was energized after June 1, 2023. To ensure that the public interest criteria are applied to the procurement and given full effect, the Agency's long-term procurement plan shall describe in detail how each public interest factor shall be considered and weighted for facilities located in states adjacent to Illinois.

(J) In order to promote the competitive development of renewable energy resources in furtherance of the State's interest in the health, safety, and welfare of its residents, renewable energy credits shall not be eligible to be counted toward the renewable energy requirements of this subsection (c) if they are sourced from a generating unit whose costs were being recovered through rates regulated by this State or any other state or states on or

after January 1, 2017. Each contract executed to purchase renewable energy credits under this subsection (c) shall provide for the contract's termination if the costs of the generating unit supplying the renewable energy credits subsequently begin to be recovered through rates regulated by this State or any other state or states; and each contract shall further provide that, in that event, the supplier of the credits must return 110% of all payments received under the contract. Amounts returned under the requirements of this subparagraph (J) shall be retained by the utility and all of these amounts shall be used for the procurement of additional renewable energy credits from new wind or new photovoltaic resources as defined in this subsection (c). The long-term plan shall provide that these renewable energy credits shall be procured in the next procurement event.

Notwithstanding the limitations of this subparagraph (J), renewable energy credits sourced from generating units that are constructed, purchased, owned, or leased by an electric utility as part of an approved project, program, or pilot under Section 1-56 of this Act shall be eligible to be counted toward the renewable energy requirements of this subsection (c), regardless of how the costs of these units are recovered. As long as a generating unit or an identifiable portion of a generating unit has not had and does not have its costs recovered

through rates regulated by this State or any other state, HVDC renewable energy credits associated with that generating unit or identifiable portion thereof shall be eligible to be counted toward the renewable energy requirements of this subsection (c).

(K) The long-term renewable resources procurement plan developed by the Agency in accordance with subparagraph (A) of this paragraph (1) shall include an Adjustable Block program for the procurement of renewable energy credits from new photovoltaic projects that are distributed renewable energy generation devices or new photovoltaic community renewable generation projects. The Adjustable Block program shall be generally designed to provide for the steady, predictable, and sustainable growth of new solar photovoltaic development in Illinois. To this end, the Adjustable Block program shall provide a transparent annual schedule of prices and quantities to enable the photovoltaic market to scale up and for renewable energy credit prices to adjust at a predictable rate over time. The prices set by the Adjustable Block program can be reflected as a set value or as the product of a formula.

The Adjustable Block program shall include for each category of eligible projects for each delivery year: a single block of nameplate capacity, a price for renewable energy credits within that block, and the terms and

conditions for securing a spot on a waitlist once the block is ~~: a schedule of standard block purchase prices to be offered; a series of steps, with associated nameplate capacity and purchase prices that adjust from step to step; and automatic opening of the next step as soon as the nameplate capacity and available purchase prices for an open step are~~ fully committed or reserved. Except as outlined below, the waitlist of projects in a given year will carry over to apply to the subsequent year when another block is opened. Only projects energized on or after June 1, 2017 shall be eligible for the Adjustable Block program. For each category for each delivery year ~~block group~~ the Agency shall determine ~~the number of blocks,~~ the amount of generation capacity in each block, and the purchase price for each block, provided that the purchase price provided and the total amount of generation in all blocks for all categories ~~block groups~~ shall be sufficient to meet the goals in this subsection (c). The Agency shall strive to issue a single block sized to provide for stability and market growth. The Agency shall establish program eligibility requirements that ensure that projects that enter the program are sufficiently mature to indicate a demonstrable path to completion. The Agency may periodically review its prior decisions establishing ~~the number of blocks,~~ the amount of generation capacity in each block, and the purchase price

for each block, and may propose, on an expedited basis, changes to these previously set values, including but not limited to redistributing these amounts and the available funds as necessary and appropriate, subject to Commission approval as part of the periodic plan revision process described in Section 16-111.5 of the Public Utilities Act. The Agency may define different block sizes, purchase prices, or other distinct terms and conditions for projects located in different utility service territories if the Agency deems it necessary to meet the goals in this subsection (c).

The Adjustable Block program shall include ~~at least~~ the following categories ~~block groups~~ in at least the following amounts~~, which may be adjusted upon review by the Agency and approval by the Commission as described in this subparagraph (K)~~:

(i) At least 20% ~~25%~~ from distributed renewable energy generation devices with a nameplate capacity of no more than 25 ~~10~~ kilowatts.

(ii) At least 20% ~~25%~~ from distributed renewable energy generation devices with a nameplate capacity of more than 25 ~~10~~ kilowatts and no more than 5,000 ~~2,000~~ kilowatts. The Agency may create sub-categories within this category to account for the differences between projects for small commercial customers, large commercial customers, and public or non-profit

customers.

(iii) At least 30% ~~25%~~ from photovoltaic community renewable generation projects. Capacity for this category for the first 2 delivery years after the effective date of this amendatory Act of the 102nd General Assembly shall be allocated to waitlist projects as provided in paragraph (3) of item (iv) of subparagraph (G). Starting in the third delivery year after the effective date of this amendatory Act of the 102nd General Assembly or earlier if the Agency determines there is additional capacity needed for to meet previous delivery year requirements, the following shall apply:

(1) the Agency shall select projects on a first-come, first-serve basis, however the Agency may suggest additional methods to prioritize projects that are submitted at the same time;

(2) projects shall have subscriptions of 25 kW or less for at least 50% of the facility's nameplate capacity and the Agency shall price the renewable energy credits with that as a factor;

(3) projects shall not be colocated with one or more other community renewable generation projects, as defined in the Agency's first revised long-term renewable resources procurement plan approved by the Commission on February 18, 2020,

such that the aggregate nameplate capacity exceeds 5,000 kilowatts; and

(4) projects greater than 2 MW may not apply until after the approval of the Agency's revised Long-Term Renewable Resources Procurement Plan after the effective date of this amendatory Act of the 102nd General Assembly.

(iv) At least 15% from distributed renewable generation devices or photovoltaic community renewable generation projects installed at public schools. The Agency may create subcategories within this category to account for the differences between project size or location. Projects located within environmental justice communities or within Organizational Units that fall within Tier 1 or Tier 2 shall be given priority. Each of the Agency's periodic updates to its long-term renewable resources procurement plan to incorporate the procurement described in this subparagraph (iv) shall also include the proposed quantities or blocks, pricing, and contract terms applicable to the procurement as indicated herein. In each such update and procurement, the Agency shall set the renewable energy credit price and establish payment terms for the renewable energy credits procured pursuant to this subparagraph (iv) that make it feasible and affordable for public schools to

install photovoltaic distributed renewable energy devices on their premises, including, but not limited to, those public schools subject to the prioritization provisions of this subparagraph. For the purposes of this item (iv):

"Environmental Justice Community" shall have the same meaning set forth in the Agency's long-term renewable resources procurement plan;

"Organization Unit", "Tier 1" and "Tier 2" shall have the meanings set for in Section 18-8.15 of the School Code;

"Public schools" shall have the meaning set forth in Section 1-3 of the School Code.

(v) At least 5% from community-driven community solar projects intended to provide more direct and tangible connection and benefits to the communities which they serve or in which they operate and, additionally, to increase the variety of community solar locations, models, and options in Illinois. As part of its long-term renewable resources procurement plan, the Agency shall develop selection criteria for projects participating in this category. Nothing in this Section shall preclude the Agency from creating a selection process that maximizes community ownership and community benefits in selecting projects to receive renewable energy credits. Selection criteria

shall include:

(1) community ownership or community wealth-building;

(2) additional direct and indirect community benefit, beyond project participation as a subscriber, including, but not limited to, economic, environmental, social, cultural, and physical benefits;

(3) meaningful involvement in project organization and development by community members or nonprofit organizations or public entities located in or serving the community;

(4) engagement in project operations and management by nonprofit organizations, public entities, or community members; and

(5) whether a project is developed in response to a site-specific RFP developed by community members or a nonprofit organization or public entity located in or serving the community.

Selection criteria may also prioritize projects that:

(1) are developed in collaboration with or to provide complementary opportunities for the Clean Jobs Workforce Network Program, the Illinois Climate Works Preapprenticeship Program, the Returning Residents Clean Jobs Training Program,

the Clean Energy Contractor Incubator Program, or the Clean Energy Primes Contractor Accelerator Program;

(2) increase the diversity of locations of community solar projects in Illinois, including by locating in urban areas and population centers;

(3) are located in Equity Investment Eligible Communities;

(4) are not greenfield projects;

(5) serve only local subscribers;

(6) have a nameplate capacity that does not exceed 500 kW;

(7) are Equitable Energy Future Certified or developed by an equity eligible contractor; or

(8) otherwise meaningfully advance the goals of providing more direct and tangible connection and benefits to the communities which they serve or in which they operate and increasing the variety of community solar locations, models, and options in Illinois.

For the purposes of this item (v):

"Community" means a social unit in which people come together regularly to effect change; a social unit in which participants are marked by a cooperative spirit, a common purpose, or shared interests or characteristics; or a space understood by its

residents to be delineated through geographic boundaries or landmarks.

"Community benefit" means a range of services and activities that provide affirmative, economic, environmental, social, cultural, or physical value to a community; or a mechanism that enables economic development, high-quality employment, and education opportunities for local workers and residents, or formal monitoring and oversight structures such that community members may ensure that those services and activities respond to local knowledge and needs.

"Community ownership" means an arrangement in which an electric generating facility is, or over time will be, in significant part, owned collectively by members of the community to which an electric generating facility provides benefits; members of that community participate in decisions regarding the governance, operation, maintenance, and upgrades of and to that facility; and members of that community benefit from regular use of that facility.

Terms and guidance within these criteria that are not defined in this item (v) shall be defined by the Agency, with stakeholder input, during the development of the Agency's long-term renewable resources procurement plan. The Agency shall develop regular opportunities for projects to submit applications for

projects under this category, and develop selection criteria that gives preference to projects that better meet individual criteria as well as projects that address a higher number of criteria.

(vi) At least 10% from distributed renewable energy generation devices, which includes distributed renewable energy devices with a nameplate capacity under 5,000 kilowatts or photovoltaic community renewable generation projects, from applicants that are equity eligible contractors. The Agency may create subcategories within this category to account for the differences between project size and type. The Agency shall propose to increase the percentage in this item (vi) over time to 40% based on factors, including, but not limited to, the number of equity eligible contractors and capacity used in this item (vi) in previous delivery years. Applicants that have Equitable Energy Future Certifications are not eligible for this block, including if the block's percentage increases.

The Agency shall propose a payment structure for contracts executed pursuant to this paragraph under which, upon a demonstration of qualification or need, applicant firms are advanced capital disbursed after contract execution but before the contracted project's energization. The amount or percentage of capital

advanced prior to project energization shall be sufficient to both cover any increase in development costs resulting from prevailing wage requirements or project-labor agreements, and designed to overcome barriers in access to capital faced by Equity Eligible Contractors. The amount or percentage of advanced capital may vary by subcategory within this category and by an applicant's demonstration of need, with such levels to be established through the Long-Term Renewable Resources Procurement Plan authorized under subparagraph (A) of paragraph (1) of subsection (c) of this Section.

Contracts developed featuring capital advanced prior to a project's energization shall feature provisions to ensure both the successful development of applicant projects and the delivery of the renewable energy credits for the full term of the contract, including ongoing collateral requirements and other provisions deemed necessary by the Agency, and may include energization timelines longer than for comparable project types. The percentage or amount of capital advanced prior to project energization shall not operate to increase the overall contract value, however contracts executed under this subparagraph may feature renewable energy credit prices higher than those offered to similar projects participating in

other categories. Capital advanced prior to energization shall serve to reduce the ratable payments made after energization under items (ii) and (iii) of subparagraph (L) or payments made for each renewable energy credit delivery under item (iv) of subparagraph (L).

(vii) ~~(iv)~~ The remaining capacity ~~25%~~ shall be allocated ~~as specified~~ by the Agency in order to respond to market demand ~~the long term renewable resources procurement plan~~. The Agency shall allocate any discretionary capacity prior to the beginning of each delivery year.

To the extent there is uncontracted capacity from any block in any of categories (i) through (vi) at the end of a delivery year, the Agency shall redistribute that capacity to one or more other categories giving priority to categories with projects on a waitlist. The redistributed capacity shall be added to the annual capacity in the subsequent delivery year, and the price for renewable energy credits shall be the price for the new delivery year. Redistributed capacity shall not be considered redistributed when determining whether the goals in this subsection (K) have been met.

Notwithstanding anything to the contrary, as the Agency increases the capacity in item (vi) to 40% over time, the Agency may reduce the capacity of items (i)

through (v) proportionate to the capacity of the categories of projects in item (vi), to achieve a balance of project types.

The Adjustable Block program shall be designed to ensure that renewable energy credits are procured from ~~photovoltaic distributed renewable energy generation devices and new photovoltaic community renewable energy generation~~ projects in diverse locations and are not concentrated in a few regional ~~geographic~~ areas.

(L) Notwithstanding provisions for advancing capital prior to project energization found in item (vi) of subparagraph (K), the ~~The~~ procurement of photovoltaic renewable energy credits under items (i) through (vi) ~~(iv)~~ of subparagraph (K) of this paragraph (1) shall otherwise be subject to the following contract and payment terms:

(i) (Blank). ~~The Agency shall procure contracts of at least 15 years in length.~~

(ii) For those renewable energy credits that qualify and are procured under item (i) of subparagraph (K) of this paragraph (1), and any similar category projects that are procured under item (vi) of subparagraph (K) of this paragraph (1) that qualify and are procured under item (vi), the contract length shall be 15 years. The renewable energy credit delivery contract value ~~purchase price~~ shall be paid in full, based on the estimated generation during the

first 15 years of operation, by the contracting utilities at the time that the facility producing the renewable energy credits is interconnected at the distribution system level of the utility and verified as energized and compliant by the Program Administrator ~~energized~~. The electric utility shall receive and retire all renewable energy credits generated by the project for the first 15 years of operation. Renewable energy credits generated by the project thereafter shall not be transferred under the renewable energy credit delivery contract with the counterparty electric utility.

(iii) For those renewable energy credits that qualify and are procured under item (ii) and (v) ~~(iii)~~ of subparagraph (K) of this paragraph (1) and any like projects similar category that qualify and are procured under item (vi), the contract length shall be 15 years. 15% ~~any additional categories of distributed generation included in the long-term renewable resources procurement plan and approved by the Commission, 20 percent~~ of the renewable energy credit delivery contract value, based on the estimated generation during the first 15 years of operation, ~~purchase price~~ shall be paid by the contracting utilities at the time that the facility producing the renewable energy credits is interconnected at the

distribution system level of the utility and verified as energized and compliant by the Program Administrator. The remaining portion shall be paid ratably over the subsequent 6-year ~~4-year~~ period. The electric utility shall receive and retire all renewable energy credits generated by the project for the first 15 years of operation. Renewable energy credits generated by the project thereafter shall not be transferred under the renewable energy credit delivery contract with the counterparty electric utility.

(iv) For those renewable energy credits that qualify and are procured under items (iii) and (iv) of subparagraph (K) of this paragraph (1), and any like projects that qualify and are procured under item (vi), the renewable energy credit delivery contract length shall be 20 years and shall be paid over the delivery term, not to exceed during each delivery year the contract price multiplied by the estimated annual renewable energy credit generation amount. If generation of renewable energy credits during a delivery year exceeds the estimated annual generation amount, the excess renewable energy credits shall be carried forward to future delivery years and shall not expire during the delivery term. If generation of renewable energy credits during a delivery year,

including carried forward excess renewable energy credits, if any, is less than the estimated annual generation amount, payments during such delivery year will not exceed the quantity generated plus the quantity carried forward multiplied by the contract price. The electric utility shall receive all renewable energy credits generated by the project during the first 20 years of operation and retire all renewable energy credits paid for under this item (iv) and return at the end of the delivery term all renewable energy credits that were not paid for. Renewable energy credits generated by the project thereafter shall not be transferred under the renewable energy credit delivery contract with the counterparty electric utility. Notwithstanding the preceding, for those projects participating under item (iii) of subparagraph (K), the contract price for a delivery year shall be based on subscription levels as measured on the higher of the first business day of the delivery year or the first business day 6 months after the first business day of the delivery year. Subscription of 90% of nameplate capacity or greater shall be deemed to be fully subscribed for the purposes of this item (iv). For projects receiving a 20-year delivery contract, REC prices shall be adjusted downward for consistency with the incentive

levels previously determined to be necessary to support projects under 15-year delivery contracts, taking into consideration any additional new requirements placed on the projects, including, but not limited to, labor standards.

(v) ~~(iv)~~ Each contract shall include provisions to ensure the delivery of the estimated quantity of renewable energy credits and ongoing collateral requirements and other provisions deemed appropriate by the Agency ~~for the full term of the contract~~.

(vi) ~~(v)~~ The utility shall be the counterparty to the contracts executed under this subparagraph (L) that are approved by the Commission under the process described in Section 16-111.5 of the Public Utilities Act. No contract shall be executed for an amount that is less than one renewable energy credit per year.

(vii) ~~(vi)~~ If, at any time, approved applications for the Adjustable Block program exceed funds collected by the electric utility or would cause the Agency to exceed the limitation described in subparagraph (E) of this paragraph (1) on the amount of renewable energy resources that may be procured, then the Agency may ~~shall~~ consider future uncommitted funds to be reserved for these contracts on a first-come, first-served basis~~, with the delivery of renewable energy credits required beginning at the~~

~~time that the reserved funds become available~~.

(viii) ~~(vii)~~ Nothing in this Section shall require the utility to advance any payment or pay any amounts that exceed the actual amount of revenues anticipated to be collected by the utility under paragraph (6) of this subsection (c) and subsection (k) of Section 16-108 of the Public Utilities Act inclusive of eligible funds collected in prior years and alternative compliance payments for use by the utility, and contracts executed under this Section shall expressly incorporate this limitation.

(ix) Notwithstanding other requirements of this subparagraph (L), no modification shall be required to Adjustable Block program contracts if they were already executed prior to the establishment, approval, and implementation of new contract forms as a result of this amendatory Act of the 102nd General Assembly.

(x) Contracts may be assignable, but only to entities first deemed by the Agency to have met program terms and requirements applicable to direct program participation. In developing contracts for the delivery of renewable energy credits, the Agency shall be permitted to establish fees applicable to each contract assignment.

(M) The Agency shall be authorized to retain one or more experts or expert consulting firms to develop,

administer, implement, operate, and evaluate the Adjustable Block program described in subparagraph (K) of this paragraph (1), and the Agency shall retain the consultant or consultants in the same manner, to the extent practicable, as the Agency retains others to administer provisions of this Act, including, but not limited to, the procurement administrator. The selection of experts and expert consulting firms and the procurement process described in this subparagraph (M) are exempt from the requirements of Section 20-10 of the Illinois Procurement Code, under Section 20-10 of that Code. The Agency shall strive to minimize administrative expenses in the implementation of the Adjustable Block program.

The Program Administrator may charge application fees to participating firms to cover the cost of program administration. Any application fee amounts shall initially be determined through the long-term renewable resources procurement plan, and modifications to any application fee that deviate more than 25% from the Commission's approved value must be approved by the Commission as a long-term plan revision under Section 16-111.5 of the Public Utilities Act. The Agency shall consider stakeholder feedback when making adjustments to application fees and shall notify stakeholders in advance of any planned changes.

In addition to covering the costs of program

administration, the Agency, in conjunction with its Program Administrator, may also use the proceeds of such fees charged to participating firms to support public education and ongoing regional and national coordination with nonprofit organizations, public bodies, and others engaged in the implementation of renewable energy incentive programs or similar initiatives. This work may include developing papers and reports, hosting regional and national conferences, and other work deemed necessary by the Agency to position the State of Illinois as a national leader in renewable energy incentive program development and administration.

The Agency and its consultant or consultants shall monitor block activity, share program activity with stakeholders and conduct quarterly ~~regularly scheduled~~ meetings to discuss program activity and market conditions. If necessary, the Agency may make prospective administrative adjustments to the Adjustable Block program design, such as ~~redistributing available funds or~~ making adjustments to purchase prices as necessary to achieve the goals of this subsection (c). Program modifications to any block price~~, capacity block, or other program element~~ that do not deviate from the Commission's approved value by more than 10% ~~25%~~ shall take effect immediately and are not subject to Commission review and approval. Program modifications to any block price~~, capacity block, or other~~

~~program element~~ that deviate more than 10% ~~25%~~ from the Commission's approved value must be approved by the Commission as a long-term plan amendment under Section 16-111.5 of the Public Utilities Act. The Agency shall consider stakeholder feedback when making adjustments to the Adjustable Block design and shall notify stakeholders in advance of any planned changes.

The Agency and its program administrators for both the Adjustable Block program and the Illinois Solar for All Program, consistent with the requirements of this subsection (c) and subsection (b) of Section 1-56 of this Act, shall propose the Adjustable Block program terms, conditions, and requirements, including the prices to be paid for renewable energy credits, where applicable, and requirements applicable to participating entities and project applications, through the development, review, and approval of the Agency's long-term renewable resources procurement plan described in this subsection (c) and paragraph (5) of subsection (b) of Section 16-111.5 of the Public Utilities Act. Terms, conditions, and requirements for program participation shall include the following:

(i) The Agency shall establish a registration process for entities seeking to qualify for program-administered incentive funding and establish baseline qualifications for vendor approval. The Agency must maintain a list of approved entities on

each program's website, and may revoke a vendor's ability to receive program-administered incentive funding status upon a determination that the vendor failed to comply with contract terms, the law, or other program requirements.

(ii) The Agency shall establish program requirements and minimum contract terms to ensure projects are properly installed and produce their expected amounts of energy. Program requirements may include on-site inspections and photo documentation of projects under construction. The Agency may require repairs, alterations, or additions to remedy any material deficiencies discovered. Vendors who have a disproportionately high number of deficient systems may lose their eligibility to continue to receive State-administered incentive funding through Agency programs and procurements.

(iii) To discourage deceptive marketing or other bad faith business practices, the Agency may require direct program participants, including agents operating on their behalf, to provide standardized disclosures to a customer prior to that customer's execution of a contract for the development of a distributed generation system or a subscription to a community solar project.

(iv) The Agency shall establish one or multiple

Consumer Complaints Centers to accept complaints regarding businesses that participate in, or otherwise benefit from, State-administered incentive funding through Agency-administered programs. The Agency shall maintain a public database of complaints with any confidential or particularly sensitive information redacted from public entries.

(v) Through a filing in the proceeding for the approval of its long-term renewable energy resources procurement plan, the Agency shall provide an annual written report to the Illinois Commerce Commission documenting the frequency and nature of complaints and any enforcement actions taken in response to those complaints.

(vi) The Agency shall schedule regular meetings with representatives of the Office of the Attorney General, the Illinois Commerce Commission, consumer protection groups, and other interested stakeholders to share relevant information about consumer protection, project compliance, and complaints received.

(vii) To the extent that complaints received implicate the jurisdiction of the Office of the Attorney General, the Illinois Commerce Commission, or local, State, or federal law enforcement, the Agency shall also refer complaints to those entities as

appropriate.

(N) ~~The long-term renewable resources procurement plan required by this subsection (c) shall include a community renewable generation program.~~ The Agency shall establish the terms, conditions, and program requirements for photovoltaic community renewable generation projects with a goal to expand ~~renewable energy generating facility~~ access to a broader group of energy consumers, to ensure robust participation opportunities for residential and small commercial customers and those who cannot install renewable energy on their own properties. Subject to reasonable limitations, any ~~Any~~ plan approved by the Commission shall allow subscriptions to community renewable generation projects to be portable and transferable. For purposes of this subparagraph (N), "portable" means that subscriptions may be retained by the subscriber even if the subscriber relocates or changes its address within the same utility service territory; and "transferable" means that a subscriber may assign or sell subscriptions to another person within the same utility service territory.

Through the development of its long-term renewable resources procurement plan, the Agency may consider whether community renewable generation projects utilizing technologies other than photovoltaics should be supported through State-administered incentive funding, and may

issue requests for information to gauge market demand.

Electric utilities shall provide a monetary credit to a subscriber's subsequent bill for service for the proportional output of a community renewable generation project attributable to that subscriber as specified in Section 16-107.5 of the Public Utilities Act.

The Agency shall purchase renewable energy credits from subscribed shares of photovoltaic community renewable generation projects through the Adjustable Block program described in subparagraph (K) of this paragraph (1) or through the Illinois Solar for All Program described in Section 1-56 of this Act. The electric utility shall purchase any unsubscribed energy from community renewable generation projects that are Qualifying Facilities ("QF") under the electric utility's tariff for purchasing the output from QFs under Public Utilities Regulatory Policies Act of 1978.

The owners of and any subscribers to a community renewable generation project shall not be considered public utilities or alternative retail electricity suppliers under the Public Utilities Act solely as a result of their interest in or subscription to a community renewable generation project and shall not be required to become an alternative retail electric supplier by participating in a community renewable generation project with a public utility.

(O) For the delivery year beginning June 1, 2018, the long-term renewable resources procurement plan required by this subsection (c) shall provide for the Agency to procure contracts to continue offering the Illinois Solar for All Program described in subsection (b) of Section 1-56 of this Act, and the contracts approved by the Commission shall be executed by the utilities that are subject to this subsection (c). The long-term renewable resources procurement plan shall allocate up to $50,000,000 ~~5% of the funds available under the plan for the applicable delivery year, or $10,000,000~~ per delivery year~~, whichever is greater,~~ to fund the programs, and the plan shall determine the amount of funding to be apportioned to the programs identified in subsection (b) of Section 1-56 of this Act; provided that for the delivery years beginning June 1, 2021, June 1, 2022, and June 1, 2023, the long-term renewable resources procurement plan may average the annual budgets over a 3-year period to account for program ramp-up. For ~~for~~ the delivery years beginning ~~June 1, 2017,~~ June 1, 2021, ~~and~~ June 1, 2024 ~~2025~~, June 1, 2027, and June 1, 2030 and additional ~~the long-term renewable resources procurement plan shall allocate 10% of the funds available under the plan for the applicable delivery year, or $20,000,000 per delivery year, whichever is greater, and~~ $10,000,000 ~~of such funds in such year~~ shall be provided to the

Department of Commerce and Economic Opportunity to implement the workforce development programs and reporting as outlined in ~~used by an electric utility that serves more than 3,000,000 retail customers in the State to implement a Commission approved plan under~~ Section 16-108.12 of the Public Utilities Act. In making the determinations required under this subparagraph (O), the Commission shall consider the experience and performance under the programs and any evaluation reports. The Commission shall also provide for an independent evaluation of those programs on a periodic basis that are funded under this subparagraph (O).

(P) All programs and procurements under this subsection (c) shall be designed to encourage participating projects to use a diverse and equitable workforce and a diverse set of contractors, including minority-owned businesses, disadvantaged businesses, trade unions, graduates of any workforce training programs administered under this Act, and small businesses.

The Agency shall develop a method to optimize procurement of renewable energy credits from proposed utility-scale projects that are located in communities eligible to receive Energy Transition Community Grants pursuant to Section 10-20 of the Energy Community Reinvestment Act. If this requirement conflicts with other provisions of law or the Agency determines that full

compliance with the requirements of this subparagraph (P) would be unreasonably costly or administratively impractical, the Agency is to propose alternative approaches to achieve development of renewable energy resources in communities eligible to receive Energy Transition Community Grants pursuant to Section 10-20 of the Energy Community Reinvestment Act or seek an exemption from this requirement from the Commission.

(Q) Each facility listed in subitems (i) through (viii) of item (1) of this subparagraph (Q) for which a renewable energy credit delivery contract is signed after the effective date of this amendatory Act of the 102nd General Assembly is subject to the following requirements through the Agency's long-term renewable resources procurement plan:

(1) Each facility shall be subject to the prevailing wage requirements included in the Prevailing Wage Act. The Agency shall require verification that all construction performed on the facility by the renewable energy credit delivery contract holder, its contractors, or its subcontractors relating to construction of the facility is performed by construction employees receiving an amount for that work equal to or greater than the general prevailing rate, as that term is defined in Section 3 of the Prevailing Wage Act. For

purposes of this item (1), "house of worship" means property that is both (1) used exclusively by a religious society or body of persons as a place for religious exercise or religious worship and (2) recognized as exempt from taxation pursuant to Section 15-40 of the Property Tax Code. This item (1) shall apply to any the following:

(i) all new utility-scale wind projects;

(ii) all new utility-scale photovoltaic projects;

(iii) all new brownfield photovoltaic projects;

(iv) all new photovoltaic community renewable energy facilities that qualify for item (iii) of subparagraph (K) of this paragraph (1);

(v) all new community driven community photovoltaic projects that qualify for item (v) of subparagraph (K) of this paragraph (1);

(vi) all new photovoltaic distributed renewable energy generation devices on schools that qualify for item (iv) of subparagraph (K) of this paragraph (1);

(vii) all new photovoltaic distributed renewable energy generation devices that (1) qualify for item (i) of subparagraph (K) of this paragraph (1); (2) are not projects that serve

single-family or multi-family residential buildings; and (3) are not houses of worship where the aggregate capacity including collocated projects would not exceed 100 kilowatts;

(viii) all new photovoltaic distributed renewable energy generation devices that (1) qualify for item (ii) of subparagraph (K) of this paragraph (1); (2) are not projects that serve single-family or multi-family residential buildings; and (3) are not houses of worship where the aggregate capacity including collocated projects would not exceed 100 kilowatts.

(2) Renewable energy credits procured from new utility-scale wind projects, new utility-scale solar projects, and new brownfield solar projects pursuant to Agency procurement events occurring after the effective date of this amendatory Act of the 102nd General Assembly must be from facilities built by general contractors that must enter into a project labor agreement, as defined by this Act, prior to construction. The project labor agreement shall be filed with the Director in accordance with procedures established by the Agency through its long-term renewable resources procurement plan. Any information submitted to the Agency in this item (2) shall be considered commercially sensitive information. At a

minimum, the project labor agreement must provide the names, addresses, and occupations of the owner of the plant and the individuals representing the labor organization employees participating in the project labor agreement consistent with the Project Labor Agreements Act. The agreement must also specify the terms and conditions as defined by this Act.

(3) It is the intent of this Section to ensure that economic development occurs across Illinois communities, that emerging businesses may grow, and that there is improved access to the clean energy economy by persons who have greater economic burdens to success. The Agency shall take into consideration the unique cost of compliance of this subparagraph (Q) that might be borne by equity eligible contractors, shall include such costs when determining the price of renewable energy credits in the Adjustable Block program, and shall take such costs into consideration in a nondiscriminatory manner when comparing bids for competitive procurements. The Agency shall consider costs associated with compliance whether in the development, financing, or construction of projects. The Agency shall periodically review the assumptions in these costs and may adjust prices, in compliance with subparagraph (M) of this paragraph (1).

(R) In its long-term renewable resources procurement

plan, the Agency shall establish a self-direct renewable portfolio standard compliance program for eligible self-direct customers that purchase renewable energy credits from utility-scale wind and solar projects through long-term agreements for purchase of renewable energy credits as described in this Section. Such long-term agreements may include the purchase of energy or other products on a physical or financial basis and may involve an alternative retail electric supplier as defined in Section 16-102 of the Public Utilities Act. This program shall take effect in the delivery year commencing June 1, 2023.

(1) For the purposes of this subparagraph:

"Eligible self-direct customer" means any retail customers of an electric utility that serves 3,000,000 or more retail customers in the State and whose total highest 30-minute demand was more than 10,000 kilowatts, or any retail customers of an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State and whose total highest 15-minute demand was more than 10,000 kilowatts.

"Retail customer" has the meaning set forth in Section 16-102 of the Public Utilities Act and multiple retail customer accounts under the same corporate parent may aggregate their account demands

to meet the 10,000 kilowatt threshold. The criteria for determining whether this subparagraph is applicable to a retail customer shall be based on the 12 consecutive billing periods prior to the start of the year in which the application is filed.

(2) For renewable energy credits to count toward the self-direct renewable portfolio standard compliance program, they must:

(i) qualify as renewable energy credits as defined in Section 1-10 of this Act;

(ii) be sourced from one or more renewable energy generating facilities that comply with the geographic requirements as set forth in subparagraph (I) of paragraph (1) of subsection (c) as interpreted through the Agency's long-term renewable resources procurement plan, or, where applicable, the geographic requirements that governed utility-scale renewable energy credits at the time the eligible self-direct customer entered into the applicable renewable energy credit purchase agreement;

(iii) be procured through long-term contracts with term lengths of at least 10 years either directly with the renewable energy generating facility or through a bundled power purchase agreement, a virtual power purchase agreement, an

agreement between the renewable generating facility, an alternative retail electric supplier, and the customer, or such other structure as is permissible under this subparagraph (R);

(iv) be equivalent in volume to at least 40% of the eligible self-direct customer's usage, determined annually by the eligible self-direct customer's usage during the previous delivery year, measured to the nearest megawatt-hour;

(v) be retired by or on behalf of the large energy customer;

(vi) be sourced from new utility-scale wind projects or new utility-scale solar projects; and

(vii) if the contracts for renewable energy credits are entered into after the effective date of this amendatory Act of the 102nd General Assembly, the new utility-scale wind projects or new utility-scale solar projects must comply with the requirements established in subparagraphs (P) and (Q) of paragraph (1) of this subsection (c) and subsection (c-10).

(3) The self-direct renewable portfolio standard compliance program shall be designed to allow eligible self-direct customers to procure new renewable energy credits from new utility-scale wind projects or new utility-scale photovoltaic projects. The Agency shall

annually determine the amount of utility-scale renewable energy credits it will include each year from the self-direct renewable portfolio standard compliance program, subject to receiving qualifying applications. In making this determination, the Agency shall evaluate publicly available analyses and studies of the potential market size for utility-scale renewable energy long-term purchase agreements by commercial and industrial energy customers and make that report publicly available. If demand for participation in the self-direct renewable portfolio standard compliance program exceeds availability, the Agency shall ensure participation is evenly split between commercial and industrial users to the extent there is sufficient demand from both customer classes. Each renewable energy credit procured pursuant to this subparagraph (R) by a self-direct customer shall reduce the total volume of renewable energy credits the Agency is otherwise required to procure from new utility-scale projects pursuant to subparagraph (C) of paragraph (1) of this subsection (c) on behalf of contracting utilities where the eligible self-direct customer is located. The self-direct customer shall file an annual compliance report with the Agency pursuant to terms established by the Agency through its long-term renewable resources procurement plan to

be eligible for participation in this program. Customers must provide the Agency with their most recent electricity billing statements or other information deemed necessary by the Agency to demonstrate they are an eligible self-direct customer.

(4) The Commission shall approve a reduction in the volumetric charges collected pursuant to Section 16-108 of the Public Utilities Act for approved eligible self-direct customers equivalent to the anticipated cost of renewable energy credit deliveries under contracts for new utility-scale wind and new utility-scale solar entered for each delivery year after the large energy customer begins retiring eligible new utility scale renewable energy credits for self-compliance. The self-direct credit amount shall be determined annually and is equal to the estimated portion of the cost authorized by subparagraph (E) of paragraph (1) of this subsection (c) that supported the annual procurement of utility-scale renewable energy credits in the prior delivery year using a methodology described in the long-term renewable resources procurement plan, expressed on a per kilowatthour basis, and does not include (i) costs associated with any contracts entered into before the delivery year in which the customer files the initial compliance report to be

eligible for participation in the self-direct program, and (ii) costs associated with procuring renewable energy credits through existing and future contracts through the Adjustable Block Program, subsection (c-5) of this Section 1-75, and the Solar for All Program. The Agency shall assist the Commission in determining the current and future costs. The Agency must determine the self-direct credit amount for new and existing eligible self-direct customers and submit this to the Commission in an annual compliance filing. The Commission must approve the self-direct credit amount by June 1, 2023 and June 1 of each delivery year thereafter.

(5) Customers described in this subparagraph (R) shall apply, on a form developed by the Agency, to the Agency to be designated as a self-direct eligible customer. Once the Agency determines that a self-direct customer is eligible for participation in the program, the self-direct customer will remain eligible until the end of the term of the contract. Thereafter, application may be made not less than 12 months before the filing date of the long-term renewable resources procurement plan described in this Act. At a minimum, such application shall contain the following:

(i) the customer's certification that, at the

time of the customer's application, the customer qualifies to be a self-direct eligible customer, including documents demonstrating that qualification;

(ii) the customer's certification that the customer has entered into or will enter into by the beginning of the applicable procurement year, one or more bilateral contracts for new wind projects or new photovoltaic projects, including supporting documentation;

(iii) certification that the contract or contracts for new renewable energy resources are long-term contracts with term lengths of at least 10 years, including supporting documentation;

(iv) certification of the quantities of renewable energy credits that the customer will purchase each year under such contract or contracts, including supporting documentation;

(v) proof that the contract is sufficient to produce renewable energy credits to be equivalent in volume to at least 40% of the large energy customer's usage from the previous delivery year, measured to the nearest megawatt-hour; and

(vi) certification that the customer intends to maintain the contract for the duration of the length of the contract.

(6) If a customer receives the self-direct credit but fails to properly procure and retire renewable energy credits as required under this subparagraph (R), the Commission, on petition from the Agency and after notice and hearing, may direct such customer's utility to recover the cost of the wrongfully received self-direct credits plus interest through an adder to charges assessed pursuant to Section 16-108 of the Public Utilities Act. Self-direct customers who knowingly fail to properly procure and retire renewable energy credits and do not notify the Agency are ineligible for continued participation in the self-direct renewable portfolio standard compliance program.

(2) (Blank).

(3) (Blank).

(4) The electric utility shall retire all renewable energy credits used to comply with the standard.

(5) Beginning with the 2010 delivery year and ending June 1, 2017, an electric utility subject to this subsection (c) shall apply the lesser of the maximum alternative compliance payment rate or the most recent estimated alternative compliance payment rate for its service territory for the corresponding compliance period, established pursuant to subsection (d) of Section 16-115D of the Public Utilities Act to its retail customers that

take service pursuant to the electric utility's hourly pricing tariff or tariffs. The electric utility shall retain all amounts collected as a result of the application of the alternative compliance payment rate or rates to such customers, and, beginning in 2011, the utility shall include in the information provided under item (1) of subsection (d) of Section 16-111.5 of the Public Utilities Act the amounts collected under the alternative compliance payment rate or rates for the prior year ending May 31. Notwithstanding any limitation on the procurement of renewable energy resources imposed by item (2) of this subsection (c), the Agency shall increase its spending on the purchase of renewable energy resources to be procured by the electric utility for the next plan year by an amount equal to the amounts collected by the utility under the alternative compliance payment rate or rates in the prior year ending May 31.

(6) The electric utility shall be entitled to recover all of its costs associated with the procurement of renewable energy credits under plans approved under this Section and Section 16-111.5 of the Public Utilities Act. These costs shall include associated reasonable expenses for implementing the procurement programs, including, but not limited to, the costs of administering and evaluating the Adjustable Block program, through an automatic adjustment clause tariff in accordance with subsection (k)

of Section 16-108 of the Public Utilities Act.

(7) Renewable energy credits procured from new photovoltaic projects or new distributed renewable energy generation devices under this Section after June 1, 2017 (the effective date of Public Act 99-906) must be procured from devices installed by a qualified person in compliance with the requirements of Section 16-128A of the Public Utilities Act and any rules or regulations adopted thereunder.

In meeting the renewable energy requirements of this subsection (c), to the extent feasible and consistent with State and federal law, the renewable energy credit procurements, Adjustable Block solar program, and community renewable generation program shall provide employment opportunities for all segments of the population and workforce, including minority-owned and female-owned business enterprises, and shall not, consistent with State and federal law, discriminate based on race or socioeconomic status.

(c-5) Procurement of renewable energy credits from new renewable energy facilities installed at or adjacent to the sites of electric generating facilities that burn or burned coal as their primary fuel source.

(1) In addition to the procurement of renewable energy credits pursuant to long-term renewable resources procurement plans in accordance with subsection (c) of

this Section and Section 16-111.5 of the Public Utilities Act, the Agency shall conduct procurement events in accordance with this subsection (c-5) for the procurement by electric utilities that served more than 300,000 retail customers in this State as of January 1, 2019 of renewable energy credits from new renewable energy facilities to be installed at or adjacent to the sites of electric generating facilities that, as of January 1, 2016, burned coal as their primary fuel source and meet the other criteria specified in this subsection (c-5). For purposes of this subsection (c-5), "new renewable energy facility" means a new utility-scale solar project as defined in this Section 1-75. The renewable energy credits procured pursuant to this subsection (c-5) may be included or counted for purposes of compliance with the amounts of renewable energy credits required to be procured pursuant to subsection (c) of this Section to the extent that there are otherwise shortfalls in compliance with such requirements. The procurement of renewable energy credits by electric utilities pursuant to this subsection (c-5) shall be funded solely by revenues collected from the Coal to Solar and Energy Storage Initiative Charge provided for in this subsection (c-5) and subsection (i-5) of Section 16-108 of the Public Utilities Act, shall not be funded by revenues collected through any of the other funding mechanisms provided for in subsection (c) of this Section,

and shall not be subject to the limitation imposed by subsection (c) on charges to retail customers for costs to procure renewable energy resources pursuant to subsection (c), and shall not be subject to any other requirements or limitations of subsection (c).

(2) The Agency shall conduct 2 procurement events to select owners of electric generating facilities meeting the eligibility criteria specified in this subsection (c-5) to enter into long-term contracts to sell renewable energy credits to electric utilities serving more than 300,000 retail customers in this State as of January 1, 2019. The first procurement event shall be conducted no later than January 30, 2022, unless the Agency elects to delay it, until no later than May 1, 2022, due to its overall volume of work, and shall be to select owners of electric generating facilities located in this State and south of federal Interstate Highway 80 that meet the eligibility criteria specified in this subsection (c-5). The second procurement event shall be conducted no sooner than September 30, 2022 and no later than October 31, 2022 and shall be to select owners of electric generating facilities located anywhere in this State that meet the eligibility criteria specified in this subsection (c-5). The Agency shall establish and announce a time period, which shall begin no later than 30 days prior to the scheduled date for the procurement event, during which

applicants may submit applications to be selected as suppliers of renewable energy credits pursuant to this subsection (c-5). The eligibility criteria for selection as a supplier of renewable energy credits pursuant to this subsection (c-5) shall be as follows:

(A) The applicant owns an electric generating facility located in this State that: (i) as of January 1, 2016, burned coal as its primary fuel to generate electricity; and (ii) has, or had prior to retirement, an electric generating capacity of at least 150 megawatts. The electric generating facility can be either: (i) retired as of the date of the procurement event; or (ii) still operating as of the date of the procurement event.

(B) The applicant is not (i) an electric cooperative as defined in Section 3-119 of the Public Utilities Act, or (ii) an entity described in subsection (b)(1) of Section 3-105 of the Public Utilities Act, or an association or consortium of or an entity owned by entities described in (i) or (ii); and the coal-fueled electric generating facility was at one time owned, in whole or in part, by a public utility as defined in Section 3-105 of the Public Utilities Act.

(C) If participating in the first procurement event, the applicant proposes and commits to construct

and operate, at the site, and if necessary for sufficient space on property adjacent to the existing property, at which the electric generating facility identified in paragraph (A) is located: (i) a new renewable energy facility of at least 20 megawatts but no more than 100 megawatts of electric generating capacity, and (ii) an energy storage facility having a storage capacity equal to at least 2 megawatts and at most 10 megawatts. If participating in the second procurement event, the applicant proposes and commits to construct and operate, at the site, and if necessary for sufficient space on property adjacent to the existing property, at which the electric generating facility identified in paragraph (A) is located: (i) a new renewable energy facility of at least 5 megawatts but no more than 20 megawatts of electric generating capacity, and (ii) an energy storage facility having a storage capacity equal to at least 0.5 megawatts and at most one megawatt.

(D) The applicant agrees that the new renewable energy facility and the energy storage facility will be constructed or installed by a qualified entity or entities in compliance with the requirements of subsection (g) of Section 16-128A of the Public Utilities Act and any rules adopted thereunder.

(E) The applicant agrees that personnel operating

the new renewable energy facility and the energy storage facility will have the requisite skills, knowledge, training, experience, and competence, which may be demonstrated by completion or current participation and ultimate completion by employees of an accredited or otherwise recognized apprenticeship program for the employee's particular craft, trade, or skill, including through training and education courses and opportunities offered by the owner to employees of the coal-fueled electric generating facility or by previous employment experience performing the employee's particular work skill or function.

(F) The applicant commits that not less than the prevailing wage, as determined pursuant to the Prevailing Wage Act, will be paid to the applicant's employees engaged in construction activities associated with the new renewable energy facility and the new energy storage facility and to the employees of applicant's contractors engaged in construction activities associated with the new renewable energy facility and the new energy storage facility, and that, on or before the commercial operation date of the new renewable energy facility, the applicant shall file a report with the Agency certifying that the requirements of this subparagraph (F) have been met.

(G) The applicant commits that if selected, it will negotiate a project labor agreement for the construction of the new renewable energy facility and associated energy storage facility that includes provisions requiring the parties to the agreement to work together to establish diversity threshold requirements and to ensure best efforts to meet diversity targets, improve diversity at the applicable job site, create diverse apprenticeship opportunities, and create opportunities to employ former coal-fired power plant workers.

(H) The applicant commits to enter into a contract or contracts for the applicable duration to provide specified numbers of renewable energy credits each year from the new renewable energy facility to electric utilities that served more than 300,000 retail customers in this State as of January 1, 2019, at a price of $30 per renewable energy credit. The price per renewable energy credit shall be fixed at $30 for the applicable duration and the renewable energy credits shall not be indexed renewable energy credits as provided for in item (v) of subparagraph (G) of paragraph (1) of subsection (c) of Section 1-75 of this Act. The applicable duration of each contract shall be 20 years, unless the applicant is physically interconnected to the PJM Interconnection, LLC

transmission grid and had a generating capacity of at least 1,200 megawatts as of January 1, 2021, in which case the applicable duration of the contract shall be 15 years.

(I) The applicant's application is certified by an officer of the applicant and by an officer of the applicant's ultimate parent company, if any.

(3) An applicant may submit applications to contract to supply renewable energy credits from more than one new renewable energy facility to be constructed at or adjacent to one or more qualifying electric generating facilities owned by the applicant. The Agency may select new renewable energy facilities to be located at or adjacent to the sites of more than one qualifying electric generation facility owned by an applicant to contract with electric utilities to supply renewable energy credits from such facilities.

(4) The Agency shall assess fees to each applicant to recover the Agency's costs incurred in receiving and evaluating applications, conducting the procurement event, developing contracts for sale, delivery and purchase of renewable energy credits, and monitoring the administration of such contracts, as provided for in this subsection (c-5), including fees paid to a procurement administrator retained by the Agency for one or more of these purposes.

(5) The Agency shall select the applicants and the new renewable energy facilities to contract with electric utilities to supply renewable energy credits in accordance with this subsection (c-5). In the first procurement event, the Agency shall select applicants and new renewable energy facilities to supply renewable energy credits, at a price of $30 per renewable energy credit, aggregating to no less than 400,000 renewable energy credits per year for the applicable duration, assuming sufficient qualifying applications to supply, in the aggregate, at least that amount of renewable energy credits per year; and not more than 580,000 renewable energy credits per year for the applicable duration. In the second procurement event, the Agency shall select applicants and new renewable energy facilities to supply renewable energy credits, at a prices of $30 per renewable energy credit, aggregating to no more than 625,000 renewable energy credits per year less the amount of renewable energy credits each year contracted for as a result of the first procurement event, for the applicable durations. The number of renewable energy credits to be procured as specified in this paragraph (5) shall not be reduced based on renewable energy credits procured in the self-direct renewable energy credit compliance program established pursuant to subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75.

(6) The obligation to purchase renewable energy credits from the applicants and their new renewable energy facilities selected by the Agency shall be allocated to the electric utilities based on their respective percentages of kilowatthours delivered to delivery services customers to the aggregate kilowatthour deliveries by the electric utilities to delivery services customers for the year ended December 31, 2021. In order to achieve these allocation percentages between or among the electric utilities, the Agency shall require each applicant that is selected in the procurement event to enter into a contract with each electric utility for the sale and purchase of renewable energy credits from each new renewable energy facility to be constructed and operated by the applicant, with the sale and purchase obligations under the contracts to aggregate to the total number of renewable energy credits per year to be supplied by the applicant from the new renewable energy facility.

(7) The Agency shall submit its proposed selection of applicants, new renewable energy facilities to be constructed, and renewable energy credit amounts for each procurement event to the Commission for approval. The Commission shall, within 2 business days after receipt of the Agency's proposed selections, approve the proposed selections if it determines that the applicants and the new renewable energy facilities to be constructed meet the

selection criteria set forth in this subsection (c-5) and that the Agency seeks approval for contracts of applicable durations aggregating to no more than the maximum amount of renewable energy credits per year authorized by this subsection (c-5) for the procurement event, at a price of $30 per renewable energy credit.

(8) The Agency, in conjunction with its procurement administrator if one is retained, the electric utilities, and potential applicants for contracts to produce and supply renewable energy credits pursuant to this subsection (c-5), shall develop a standard form contract for the sale, delivery and purchase of renewable energy credits pursuant to this subsection (c-5). Each contract resulting from the first procurement event shall allow for a commercial operation date for the new renewable energy facility of either June 1, 2023 or June 1, 2024, with such dates subject to adjustment as provided in this paragraph. Each contract resulting from the second procurement event shall provide for a commercial operation date on June 1 next occurring up to 48 months after execution of the contract. Each contract shall provide that the owner shall receive payments for renewable energy credits for the applicable durations beginning with the commercial operation date of the new renewable energy facility. The form contract shall provide for adjustments to the commercial operation and payment start dates as needed due

to any delays in completing the procurement and contracting processes, in finalizing interconnection agreements and installing interconnection facilities, and in obtaining other necessary governmental permits and approvals. The form contract shall be, to the maximum extent possible, consistent with standard electric industry contracts for sale, delivery, and purchase of renewable energy credits while taking into account the specific requirements of this subsection (c-5). The form contract shall provide for over-delivery and under-delivery of renewable energy credits within reasonable ranges during each 12-month period and penalty, default, and enforcement provisions for failure of the selling party to deliver renewable energy credits as specified in the contract and to comply with the requirements of this subsection (c-5). The standard form contract shall specify that all renewable energy credits delivered to the electric utility pursuant to the contract shall be retired. The Agency shall make the proposed contracts available for a reasonable period for comment by potential applicants, and shall publish the final form contract at least 30 days before the date of the first procurement event.

(9) Coal to Solar and Energy Storage Initiative Charge.

(A) By no later than July 1, 2022, each electric

utility that served more than 300,000 retail customers in this State as of January 1, 2019 shall file a tariff with the Commission for the billing and collection of a Coal to Solar and Energy Storage Initiative Charge in accordance with subsection (i-5) of Section 16-108 of the Public Utilities Act, with such tariff to be effective, following review and approval or modification by the Commission, beginning January 1, 2023. The tariff shall provide for the calculation and setting of the electric utility's Coal to Solar and Energy Storage Initiative Charge to collect revenues estimated to be sufficient, in the aggregate, (i) to enable the electric utility to pay for the renewable energy credits it has contracted to purchase in the delivery year beginning June 1, 2023 and each delivery year thereafter from new renewable energy facilities located at the sites of qualifying electric generating facilities, and (ii) to fund the grant payments to be made in each delivery year by the Department of Commerce and Economic Opportunity, or any successor department or agency, which shall be referred to in this subsection (c-5) as the Department, pursuant to paragraph (10) of this subsection (c-5). The electric utility's tariff shall provide for the billing and collection of the Coal to Solar and Energy Storage Initiative Charge on each kilowatthour of electricity

delivered to its delivery services customers within its service territory and shall provide for an annual reconciliation of revenues collected with actual costs, in accordance with subsection (i-5) of Section 16-108 of the Public Utilities Act.

(B) Each electric utility shall remit on a monthly basis to the State Treasurer, for deposit in the Coal to Solar and Energy Storage Initiative Fund provided for in this subsection (c-5), the electric utility's collections of the Coal to Solar and Energy Storage Initiative Charge in the amount estimated to be needed by the Department for grant payments pursuant to grant contracts entered into by the Department pursuant to paragraph (10) of this subsection (c-5).

(10) Coal to Solar and Energy Storage Initiative Fund.

(A) The Coal to Solar and Energy Storage Initiative Fund is established as a special fund in the State treasury. The Coal to Solar and Energy Storage Initiative Fund is authorized to receive, by statutory deposit, that portion specified in item (B) of paragraph (9) of this subsection (c-5) of moneys collected by electric utilities through imposition of the Coal to Solar and Energy Storage Initiative Charge required by this subsection (c-5). The Coal to Solar and Energy Storage Initiative Fund shall be administered by the Department to provide grants to

support the installation and operation of energy storage facilities at the sites of qualifying electric generating facilities meeting the criteria specified in this paragraph (10).

(B) The Coal to Solar and Energy Storage Initiative Fund shall not be subject to sweeps, administrative charges, or chargebacks, including, but not limited to, those authorized under Section 8h of the State Finance Act, that would in any way result in the transfer of those funds from the Coal to Solar and Energy Storage Initiative Fund to any other fund of this State or in having any such funds utilized for any purpose other than the express purposes set forth in this paragraph (10).

(C) The Department shall utilize up to $280,500,000 in the Coal to Solar and Energy Storage Initiative Fund for grants, assuming sufficient qualifying applicants, to support installation of energy storage facilities at the sites of up to 3 qualifying electric generating facilities located in the Midcontinent Independent System Operator, Inc., region in Illinois and the sites of up to 2 qualifying electric generating facilities located in the PJM Interconnection, LLC region in Illinois that meet the criteria set forth in this subparagraph (C). The criteria for receipt of a grant pursuant to this

subparagraph (C) are as follows:

(1) the electric generating facility at the site has, or had prior to retirement, an electric generating capacity of at least 150 megawatts;

(2) the electric generating facility burns (or burned prior to retirement) coal as its primary source of fuel;

(3) if the electric generating facility is retired, it was retired subsequent to January 1, 2016;

(4) the owner of the electric generating facility has not been selected by the Agency pursuant to this subsection (c-5) of this Section to enter into a contract to sell renewable energy credits to one or more electric utilities from a new renewable energy facility located or to be located at or adjacent to the site at which the electric generating facility is located;

(5) the electric generating facility located at the site was at one time owned, in whole or in part, by a public utility as defined in Section 3-105 of the Public Utilities Act;

(6) the electric generating facility at the site is not owned by (i) an electric cooperative as defined in Section 3-119 of the Public Utilities Act, or (ii) an entity described in

subsection (b)(1) of Section 3-105 of the Public Utilities Act, or an association or consortium of or an entity owned by entities described in items (i) or (ii);

(7) the proposed energy storage facility at the site will have energy storage capacity of at least 37 megawatts;

(8) the owner commits to place the energy storage facility into commercial operation on either June 1, 2023, June 1, 2024, or June 1, 2025, with such date subject to adjustment as needed due to any delays in completing the grant contracting process, in finalizing interconnection agreements and in installing interconnection facilities, and in obtaining necessary governmental permits and approvals;

(9) the owner agrees that the new energy storage facility will be constructed or installed by a qualified entity or entities consistent with the requirements of subsection (g) of Section 16-128A of the Public Utilities Act and any rules adopted under that Section;

(10) the owner agrees that personnel operating the energy storage facility will have the requisite skills, knowledge, training, experience, and competence, which may be demonstrated by

completion or current participation and ultimate completion by employees of an accredited or otherwise recognized apprenticeship program for the employee's particular craft, trade, or skill, including through training and education courses and opportunities offered by the owner to employees of the coal-fueled electric generating facility or by previous employment experience performing the employee's particular work skill or function;

(11) the owner commits that not less than the prevailing wage, as determined pursuant to the Prevailing Wage Act, will be paid to the owner's employees engaged in construction activities associated with the new energy storage facility and to the employees of the owner's contractors engaged in construction activities associated with the new energy storage facility, and that, on or before the commercial operation date of the new energy storage facility, the owner shall file a report with the Department certifying that the requirements of this subparagraph (11) have been met; and

(12) the owner commits that if selected to receive a grant, it will negotiate a project labor agreement for the construction of the new energy

storage facility that includes provisions requiring the parties to the agreement to work together to establish diversity threshold requirements and to ensure best efforts to meet diversity targets, improve diversity at the applicable job site, create diverse apprenticeship opportunities, and create opportunities to employ former coal-fired power plant workers.

The Department shall accept applications for this grant program until March 31, 2022 and shall announce the award of grants no later than June 1, 2022. The Department shall make the grant payments to a recipient in equal annual amounts for 10 years following the date the energy storage facility is placed into commercial operation. The annual grant payments to a qualifying energy storage facility shall be $110,000 per megawatt of energy storage capacity, with total annual grant payments pursuant to this subparagraph (C) for qualifying energy storage facilities not to exceed $28,050,000 in any year.

(D) Grants of funding for energy storage facilities pursuant to subparagraph (C) of this paragraph (10), from the Coal to Solar and Energy Storage Initiative Fund, shall be memorialized in grant contracts between the Department and the recipient. The grant contracts shall specify the date

or dates in each year on which the annual grant payments shall be paid.

(E) All disbursements from the Coal to Solar and Energy Storage Initiative Fund shall be made only upon warrants of the Comptroller drawn upon the Treasurer as custodian of the Fund upon vouchers signed by the Director of the Department or by the person or persons designated by the Director of the Department for that purpose. The Comptroller is authorized to draw the warrants upon vouchers so signed. The Treasurer shall accept all written warrants so signed and shall be released from liability for all payments made on those warrants.

(11) Diversity, equity, and inclusion plans.

(A) Each applicant selected in a procurement event to contract to supply renewable energy credits in accordance with this subsection (c-5) and each owner selected by the Department to receive a grant or grants to support the construction and operation of a new energy storage facility or facilities in accordance with this subsection (c-5) shall, within 60 days following the Commission's approval of the applicant to contract to supply renewable energy credits or within 60 days following execution of a grant contract with the Department, as applicable, submit to the Commission a diversity, equity, and

inclusion plan setting forth the applicant's or owner's numeric goals for the diversity composition of its supplier entities for the new renewable energy facility or new energy storage facility, as applicable, which shall be referred to for purposes of this paragraph (11) as the project, and the applicant's or owner's action plan and schedule for achieving those goals.

(B) For purposes of this paragraph (11), diversity composition shall be based on the percentage, which shall be a minimum of 25%, of eligible expenditures for contract awards for materials and services (which shall be defined in the plan) to business enterprises owned by minority persons, women, or persons with disabilities as defined in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, to LGBTQ business enterprises, to veteran-owned business enterprises, and to business enterprises located in environmental justice communities. The diversity composition goals of the plan may include eligible expenditures in areas for vendor or supplier opportunities in addition to development and construction of the project, and may exclude from eligible expenditures materials and services with limited market availability, limited production and availability from suppliers in the

United States, such as solar panels and storage batteries, and material and services that are subject to critical energy infrastructure or cybersecurity requirements or restrictions. The plan may provide that the diversity composition goals may be met through Tier 1 Direct or Tier 2 subcontracting expenditures or a combination thereof for the project.

(C) The plan shall provide for, but not be limited to: (i) internal initiatives, including multi-tier initiatives, by the applicant or owner, or by its engineering, procurement and construction contractor if one is used for the project, which for purposes of this paragraph (11) shall be referred to as the EPC contractor, to enable diverse businesses to be considered fairly for selection to provide materials and services; (ii) requirements for the applicant or owner or its EPC contractor to proactively solicit and utilize diverse businesses to provide materials and services; and (iii) requirements for the applicant or owner or its EPC contractor to hire a diverse workforce for the project. The plan shall include a description of the applicant's or owner's diversity recruiting efforts both for the project and for other areas of the applicant's or owner's business operations. The plan shall provide for the imposition of financial penalties on the applicant's or owner's

EPC contractor for failure to exercise best efforts to comply with and execute the EPC contractor's diversity obligations under the plan. The plan may provide for the applicant or owner to set aside a portion of the work on the project to serve as an incubation program for qualified businesses, as specified in the plan, owned by minority persons, women, persons with disabilities, LGBTQ persons, and veterans, and businesses located in environmental justice communities, seeking to enter the renewable energy industry.

(D) The applicant or owner may submit a revised or updated plan to the Commission from time to time as circumstances warrant. The applicant or owner shall file annual reports with the Commission detailing the applicant's or owner's progress in implementing its plan and achieving its goals and any modifications the applicant or owner has made to its plan to better achieve its diversity, equity and inclusion goals. The applicant or owner shall file a final report on the fifth June 1 following the commercial operation date of the new renewable energy resource or new energy storage facility, but the applicant or owner shall thereafter continue to be subject to applicable reporting requirements of Section 5-117 of the Public Utilities Act.

(c-10) Equity accountability system. It is the purpose of this subsection (c-10) to create an equity accountability system, which includes the minimum equity standards for all renewable energy procurements, the equity category of the Adjustable Block Program, and the equity prioritization for noncompetitive procurements, that is successful in advancing priority access to the clean energy economy for businesses and workers from communities that have been excluded from economic opportunities in the energy sector, have been subject to disproportionate levels of pollution, and have disproportionately experienced negative public health outcomes. Further, it is the purpose of this subsection to ensure that this equity accountability system is successful in advancing equity across Illinois by providing access to the clean energy economy for businesses and workers from communities that have been historically excluded from economic opportunities in the energy sector, have been subject to disproportionate levels of pollution, and have disproportionately experienced negative public health outcomes.

(1) Minimum equity standards. All applications for renewable energy credit procurements shall comply with specific minimum equity commitments. Starting in the delivery year immediately following the next long-term renewable resources procurement plan, at least 10% of the project workforce for each entity participating in a

procurement program outlined in this subsection (c-10) must be done by equity eligible persons or equity eligible contractors. The Agency shall increase the minimum percentage each delivery year thereafter by increments that ensure a statewide average of 30% of the project workforce for each entity participating in a procurement program is done by equity eligible persons or equity eligible contractors by 2030. The Agency shall propose a schedule of percentage increases to the minimum equity standards in its draft revised renewable energy resources procurement plan submitted to the Commission for approval pursuant to paragraph (5) of subsection (b) of Section 16-111.5 of the Public Utilities Act. In determining these annual increases, the Agency shall have the discretion to establish different minimum equity standards for different types of procurements and different regions of the State if the Agency finds that doing so will further the purposes of this subsection (c-10). The proposed schedule of annual increases shall be revisited and updated on an annual basis. Revisions shall be developed with stakeholder input, including from equity eligible persons, equity eligible contractors, clean energy industry representatives, and community-based organizations that work with such persons and contractors.

(A) At the start of each delivery year, the Agency shall require a compliance plan from each entity

participating in a procurement program of subsection (c) of this Section that demonstrates how they will achieve compliance with the minimum equity standard percentage for work completed in that delivery year. If an entity applies for its approved vendor or designee status between delivery years, the Agency shall require a compliance plan at the time of application.

(B) Halfway through each delivery year, the Agency shall require each entity participating in a procurement program to confirm that it will achieve compliance in that delivery year, when applicable. The Agency may offer corrective action plans to entities that are not on track to achieve compliance.

(C) At the end of each delivery year, each entity participating and completing work in that delivery year in a procurement program of subsection (c) shall submit a report to the Agency that demonstrates how it achieved compliance with the minimum equity standards percentage for that delivery year.

(D) The Agency shall prohibit participation in procurement programs by an approved vendor or designee, as applicable, or entities with which an approved vendor or designee, as applicable, shares a common parent company if an approved vendor or designee, as applicable, failed to meet the minimum

equity standards for the prior delivery year. Waivers approved for lack of equity eligible persons or equity eligible contractors in a geographic area of a project shall not count against the approved vendor or designee. The Agency shall offer a corrective action plan for any such entities to assist them in obtaining compliance and shall allow continued access to procurement programs upon an approved vendor or designee demonstrating compliance.

(E) The Agency shall pursue efficiencies achieved by combining with other approved vendor or designee reporting.

(2) Equity accountability system within the Adjustable Block program. The equity category described in item (vi) of subparagraph (K) of subsection (c) is only available to applicants that are equity eligible contractors. Applicants that have Equitable Energy Future Certifications are not eligible for the block described in item (vi) of subparagraph (K) of subsection (c), no matter if the block percentage increases. The Agency shall create a system for tracking and verifying Equitable Energy Future Certifications. Equitable Energy Future Certification can be earned by demonstrating that at least 50% of the project workforce, or other appropriate workforce measure as determined by the Agency where certification is on a non-project basis, is done by equity

eligible contractors or equity eligible persons.

(3) Equity accountability system within competitive procurements. Through its long-term renewable resources procurement plan, the Agency shall develop requirements for ensuring that competitive procurement processes, including utility-scale solar, utility-scale wind, and brownfield site photovoltaic projects, advance the equity goals of this subsection (c-10). Subject to Commission approval, the Agency shall develop bid application requirements and a bid evaluation methodology for ensuring that utilization of equity eligible contractors, whether as bidders or as participants on project development, is optimized, including requiring that winning or successful applicants for utility-scale projects are or will partner with equity eligible contractors and giving preference to bids through which a higher portion of contract value flows to equity eligible contractors. To the extent practicable, entities participating in competitive procurements shall also be required to meet all the equity accountability requirements for approved vendors and their designees under this subsection (c-10). In developing these requirements, the Agency shall also consider whether equity goals can be further advanced through additional measures.

(4) In the first revision to the long-term renewable energy resources procurement plan and each revision

thereafter, the Agency shall include the following:

(A) The current status and number of equity eligible contractors listed in the Energy Workforce Equity Database designed in subsection (c-25), including the number of equity eligible contractors with current certifications as issued by the Agency.

(B) A mechanism for measuring, tracking, and reporting project workforce at the approved vendor or designee level, as applicable, which shall include a measurement methodology and records to be made available for audit by the Agency or the Program Administrator.

(C) A program for approved vendors, designees, eligible persons, and equity eligible contractors to receive trainings, guidance, and other support from the Agency or its designee regarding the equity category outlined in item (vi) of subparagraph (K) of paragraph (1) of subsection (c) and in meeting the minimum equity standards of this subsection (c-10).

(D) A process for certifying equity eligible contractors and equity eligible persons. The certification process shall coordinate with the Energy Workforce Equity Database set forth in subsection (c-25).

(E) An application for waiver of the minimum equity standards of this subsection, which the Agency

shall have the discretion to grant in rare circumstances. The Agency may grant such a waiver where the applicant provides evidence of significant efforts toward meeting the minimum equity commitment, including: use of the Energy Workforce Equity Database; efforts to hire or contract with entities that hire eligible persons; and efforts to establish contracting relationships with eligible contractors. The Agency shall support applicants in understanding the Energy Workforce Equity Database and other resources for pursuing compliance of the minimum equity standards. Waivers shall be project-specific, unless the Agency deems it necessary to grant a waiver across a portfolio of projects, and in effect for no longer than one year. Any waiver extension or subsequent waiver request from an applicant shall be subject to the requirements of this Section and shall specify efforts made to reach compliance. When considering whether to grant a waiver, and to what extent, the Agency shall consider the degree to which similarly situated applicants have been able to meet these minimum equity commitments. For repeated waiver requests for specific lack of eligible persons or eligible contractors available, the Agency shall make recommendations to target recruitment to add such eligible persons or eligible contractors to the

database.

(5) The Agency shall collect information about work on projects or portfolios of projects subject to these minimum equity standards to ensure compliance with this subsection (c-10). Reporting in furtherance of this requirement may be combined with other annual reporting requirements. Such reporting shall include proof of certification of each equity eligible contractor or equity eligible person during the applicable time period.

(6) The Agency shall keep confidential all information and communication that provides private or personal information.

(7) Modifications to the equity accountability system. As part of the update of the long-term renewable resources procurement plan to be initiated in 2023, or sooner if the Agency deems necessary, the Agency shall determine the extent to which the equity accountability system described in this subsection (c-10) has advanced the goals of this amendatory Act of the 102nd General Assembly, including through the inclusion of equity eligible persons, equity eligible contractors, and Equitable Energy Future Certification in renewable energy credit projects. If the Agency finds that the equity accountability system has failed to meet those goals to its fullest potential, the Agency may revise the following criteria for future Agency procurements: (A) the percentage of project workforce, or

other appropriate workforce measure, certified as equity eligible persons or equity eligible contractors, as required to meet the thresholds for Equitable Energy Future Certification; (B) definitions for equity investment eligible persons and equity investment eligible community; and (C) such other modifications necessary to advance the goals of this amendatory Act of the 102nd General Assembly effectively. Such revised criteria may also establish distinct equity accountability systems for different types of procurements or different regions of the State if the Agency finds that doing so will further the purposes of such programs. Revisions shall be developed with stakeholder input, including from equity eligible persons, equity eligible contractors, and community-based organizations that work with such persons and contractors.

(c-15) Racial discrimination elimination powers and process.

(1) Purpose. It is the purpose of this subsection to empower the Agency and other State actors to remedy racial discrimination in Illinois' clean energy economy as effectively and expediently as possible, including through the use of race-conscious remedies, such as race-conscious contracting and hiring goals, as consistent with State and federal law.

(2) Racial disparity and discrimination review

process.

(A) Within one year after awarding contracts using the equity actions processes established in this Section, the Agency shall publish a report evaluating the effectiveness of the equity actions point criteria of this Section in increasing participation of equity eligible persons and equity eligible contractors. The report shall disaggregate participating workers and contractors by race and ethnicity. The report shall be forwarded to the Governor, the General Assembly, and the Illinois Commerce Commission and be made available to the public.

(B) As soon as is practicable thereafter, the Agency, in consultation with the Department of Commerce and Economic Opportunity, Department of Labor, and other agencies that may be relevant, shall commission and publish a disparity and availability study that measures the presence and impact of discrimination on minority businesses and workers in Illinois' clean energy economy. The Agency may hire consultants and experts to conduct the disparity and availability study, with the retention of those consultants and experts exempt from the requirements of Section 20-10 of the Illinois Procurement Code. The Illinois Power Agency shall forward a copy of its findings and recommendations to the Governor, the

General Assembly, and the Illinois Commerce Commission. If the disparity and availability study establishes a strong basis in evidence that there is discrimination in Illinois' clean energy economy, the Agency, Department of Commerce and Economic Opportunity, Department of Labor, Department of Corrections, and other appropriate agencies shall take appropriate remedial actions, including race-conscious remedial actions as consistent with State and federal law, to effectively remedy this discrimination. Such remedies may include modification of the equity accountability system as described in subsection (c-10).

(c-20) Program data collection.

(1) Purpose. Data collection, data analysis, and reporting are critical to ensure that the benefits of the clean energy economy provided to Illinois residents and businesses are equitably distributed across the State. The Agency shall collect data from program applicants in order to track and improve equitable distribution of benefits across Illinois communities for all procurements the Agency conducts. The Agency shall use this data to, among other things, measure any potential impact of racial discrimination on the distribution of benefits and provide information necessary to correct any discrimination through methods consistent with State and federal law.

(2) Agency collection of program data. The Agency shall collect demographic and geographic data for each entity awarded contracts under any Agency-administered program.

(3) Required information to be collected. The Agency shall collect the following information from applicants and program participants where applicable:

(A) demographic information, including racial or ethnic identity for real persons employed, contracted, or subcontracted through the program and owners of businesses or entities that apply to receive renewable energy credits from the Agency;

(B) geographic location of the residency of real persons employed, contracted, or subcontracted through the program and geographic location of the headquarters of the business or entity that applies to receive renewable energy credits from the Agency; and

(C) any other information the Agency determines is necessary for the purpose of achieving the purpose of this subsection.

(4) Publication of collected information. The Agency shall publish, at least annually, information on the demographics of program participants on an aggregate basis.

(5) Nothing in this subsection shall be interpreted to limit the authority of the Agency, or other agency or

department of the State, to require or collect demographic information from applicants of other State programs.

(c-25) Energy Workforce Equity Database.

(1) The Agency, in consultation with the Department of Commerce and Economic Opportunity, shall create an Energy Workforce Equity Database, and may contract with a third party to do so ("database program administrator"). If the Department decides to contract with a third party, that third party shall be exempt from the requirements of Section 20-10 of the Illinois Procurement Code. The Energy Workforce Equity Database shall be a searchable database of suppliers, vendors, and subcontractors for clean energy industries that is:

(A) publicly accessible;

(B) easy for people to find and use;

(C) organized by company specialty or field;

(D) region-specific; and

(E) populated with information including, but not limited to, contacts for suppliers, vendors, or subcontractors who are minority and women-owned business enterprise certified or who participate or have participated in any of the programs described in this Act.

(2) The Agency shall create an easily accessible, public facing online tool using the database information that includes, at a minimum, the following:

(A) a map of environmental justice and equity investment eligible communities;

(B) job postings and recruiting opportunities;

(C) a means by which recruiting clean energy companies can find and interact with current or former participants of clean energy workforce training programs;

(D) information on workforce training service providers and training opportunities available to prospective workers;

(E) renewable energy company diversity reporting;

(F) a list of equity eligible contractors with their contact information, types of work performed, and locations worked in;

(G) reporting on outcomes of the programs described in the workforce programs of the Energy Transition Act, including information such as, but not limited to, retention rate, graduation rate, and placement rates of trainees; and

(H) information about the Jobs and Environmental Justice Grant Program, the Clean Energy Jobs and Justice Fund, and other sources of capital.

(3) The Agency shall ensure the database is regularly updated to ensure information is current and shall coordinate with the Department of Commerce and Economic Opportunity to ensure that it includes information on

individuals and entities that are or have participated in the Clean Jobs Workforce Network Program, Clean Energy Contractor Incubator Program, Returning Residents Clean Jobs Training Program, or Clean Energy Primes Contractor Accelerator Program.

(c-30) Enforcement of equity accountability system.

(1) Enforcement of minimum equity standards. All entities seeking renewable energy credits must submit an annual report to demonstrate compliance with each of the equity commitments required under subsection (c-10). If the Agency concludes the entity has not met or maintained its minimum equity standards required under the applicable subparagraphs under subsection (c-10), the Agency shall deny the entity's ability to participate in procurement programs in subsection (c), including by withholding approved vendor or designee status. The Agency may require the entity to enter into a corrective action plan. An entity that is not recertified for failing to meet required equity actions in subparagraph (c-10) may reapply once they have a corrective action plan and achieve compliance with the minimum equity standards.

(2) Enforcement of Equitable Energy Future Certification. All entities using Equitable Energy Future Certification in applying for renewable energy credit procurements must submit a report at project energization demonstrating that they met the required Equitable Energy

Future Certification thresholds. The Agency shall determine an appropriate reporting frequency for entities that are granted Equitable Energy Future Certification for a portfolio of projects. The Agency may impose penalties on entities that fail to meet the Equitable Energy Future Certification thresholds, which may include, but are not limited to: reduction in final REC price, contributions to the Clean Jobs Workforce Hubs, or Illinois Climate Works Preapprenticeship Program and suspension from using Equitable Energy Future Certification for future projects or a portfolio of projects.

(d) Clean coal portfolio standard.

(1) The procurement plans shall include electricity generated using clean coal. Each utility shall enter into one or more sourcing agreements with the initial clean coal facility, as provided in paragraph (3) of this subsection (d), covering electricity generated by the initial clean coal facility representing at least 5% of each utility's total supply to serve the load of eligible retail customers in 2015 and each year thereafter, as described in paragraph (3) of this subsection (d), subject to the limits specified in paragraph (2) of this subsection (d). It is the goal of the State that by January 1, 2025, 25% of the electricity used in the State shall be generated by cost-effective clean coal facilities. For purposes of this subsection (d), "cost-effective" means

that the expenditures pursuant to such sourcing agreements do not cause the limit stated in paragraph (2) of this subsection (d) to be exceeded and do not exceed cost-based benchmarks, which shall be developed to assess all expenditures pursuant to such sourcing agreements covering electricity generated by clean coal facilities, other than the initial clean coal facility, by the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor and shall be subject to Commission review and approval.

A utility party to a sourcing agreement shall immediately retire any emission credits that it receives in connection with the electricity covered by such agreement.

Utilities shall maintain adequate records documenting the purchases under the sourcing agreement to comply with this subsection (d) and shall file an accounting with the load forecast that must be filed with the Agency by July 15 of each year, in accordance with subsection (d) of Section 16-111.5 of the Public Utilities Act.

A utility shall be deemed to have complied with the clean coal portfolio standard specified in this subsection (d) if the utility enters into a sourcing agreement as required by this subsection (d).

(2) For purposes of this subsection (d), the required execution of sourcing agreements with the initial clean

coal facility for a particular year shall be measured as a percentage of the actual amount of electricity (megawatt-hours) supplied by the electric utility to eligible retail customers in the planning year ending immediately prior to the agreement's execution. For purposes of this subsection (d), the amount paid per kilowatthour means the total amount paid for electric service expressed on a per kilowatthour basis. For purposes of this subsection (d), the total amount paid for electric service includes without limitation amounts paid for supply, transmission, distribution, surcharges and add-on taxes.

Notwithstanding the requirements of this subsection (d), the total amount paid under sourcing agreements with clean coal facilities pursuant to the procurement plan for any given year shall be reduced by an amount necessary to limit the annual estimated average net increase due to the costs of these resources included in the amounts paid by eligible retail customers in connection with electric service to:

(A) in 2010, no more than 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009;

(B) in 2011, the greater of an additional 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2010 or 1% of the amount

paid per kilowatthour by those customers during the year ending May 31, 2009;

(C) in 2012, the greater of an additional 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2011 or 1.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009;

(D) in 2013, the greater of an additional 0.5% of the amount paid per kilowatthour by those customers during the year ending May 31, 2012 or 2% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009; and

(E) thereafter, the total amount paid under sourcing agreements with clean coal facilities pursuant to the procurement plan for any single year shall be reduced by an amount necessary to limit the estimated average net increase due to the cost of these resources included in the amounts paid by eligible retail customers in connection with electric service to no more than the greater of (i) 2.015% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009 or (ii) the incremental amount per kilowatthour paid for these resources in 2013. These requirements may be altered only as provided by statute.

No later than June 30, 2015, the Commission shall

review the limitation on the total amount paid under sourcing agreements, if any, with clean coal facilities pursuant to this subsection (d) and report to the General Assembly its findings as to whether that limitation unduly constrains the amount of electricity generated by cost-effective clean coal facilities that is covered by sourcing agreements.

(3) Initial clean coal facility. In order to promote development of clean coal facilities in Illinois, each electric utility subject to this Section shall execute a sourcing agreement to source electricity from a proposed clean coal facility in Illinois (the "initial clean coal facility") that will have a nameplate capacity of at least 500 MW when commercial operation commences, that has a final Clean Air Act permit on June 1, 2009 (the effective date of Public Act 95-1027), and that will meet the definition of clean coal facility in Section 1-10 of this Act when commercial operation commences. The sourcing agreements with this initial clean coal facility shall be subject to both approval of the initial clean coal facility by the General Assembly and satisfaction of the requirements of paragraph (4) of this subsection (d) and shall be executed within 90 days after any such approval by the General Assembly. The Agency and the Commission shall have authority to inspect all books and records associated with the initial clean coal facility during the

term of such a sourcing agreement. A utility's sourcing agreement for electricity produced by the initial clean coal facility shall include:

(A) a formula contractual price (the "contract price") approved pursuant to paragraph (4) of this subsection (d), which shall:

(i) be determined using a cost of service methodology employing either a level or deferred capital recovery component, based on a capital structure consisting of 45% equity and 55% debt, and a return on equity as may be approved by the Federal Energy Regulatory Commission, which in any case may not exceed the lower of 11.5% or the rate of return approved by the General Assembly pursuant to paragraph (4) of this subsection (d); and

(ii) provide that all miscellaneous net revenue, including but not limited to net revenue from the sale of emission allowances, if any, substitute natural gas, if any, grants or other support provided by the State of Illinois or the United States Government, firm transmission rights, if any, by-products produced by the facility, energy or capacity derived from the facility and not covered by a sourcing agreement pursuant to paragraph (3) of this subsection (d)

or item (5) of subsection (d) of Section 16-115 of the Public Utilities Act, whether generated from the synthesis gas derived from coal, from SNG, or from natural gas, shall be credited against the revenue requirement for this initial clean coal facility;

(B) power purchase provisions, which shall:

(i) provide that the utility party to such sourcing agreement shall pay the contract price for electricity delivered under such sourcing agreement;

(ii) require delivery of electricity to the regional transmission organization market of the utility that is party to such sourcing agreement;

(iii) require the utility party to such sourcing agreement to buy from the initial clean coal facility in each hour an amount of energy equal to all clean coal energy made available from the initial clean coal facility during such hour times a fraction, the numerator of which is such utility's retail market sales of electricity (expressed in kilowatthours sold) in the State during the prior calendar month and the denominator of which is the total retail market sales of electricity (expressed in kilowatthours sold) in the State by utilities during such prior

month and the sales of electricity (expressed in kilowatthours sold) in the State by alternative retail electric suppliers during such prior month that are subject to the requirements of this subsection (d) and paragraph (5) of subsection (d) of Section 16-115 of the Public Utilities Act, provided that the amount purchased by the utility in any year will be limited by paragraph (2) of this subsection (d); and

(iv) be considered pre-existing contracts in such utility's procurement plans for eligible retail customers;

(C) contract for differences provisions, which shall:

(i) require the utility party to such sourcing agreement to contract with the initial clean coal facility in each hour with respect to an amount of energy equal to all clean coal energy made available from the initial clean coal facility during such hour times a fraction, the numerator of which is such utility's retail market sales of electricity (expressed in kilowatthours sold) in the utility's service territory in the State during the prior calendar month and the denominator of which is the total retail market sales of electricity (expressed in kilowatthours

sold) in the State by utilities during such prior month and the sales of electricity (expressed in kilowatthours sold) in the State by alternative retail electric suppliers during such prior month that are subject to the requirements of this subsection (d) and paragraph (5) of subsection (d) of Section 16-115 of the Public Utilities Act, provided that the amount paid by the utility in any year will be limited by paragraph (2) of this subsection (d);

(ii) provide that the utility's payment obligation in respect of the quantity of electricity determined pursuant to the preceding clause (i) shall be limited to an amount equal to (1) the difference between the contract price determined pursuant to subparagraph (A) of paragraph (3) of this subsection (d) and the day-ahead price for electricity delivered to the regional transmission organization market of the utility that is party to such sourcing agreement (or any successor delivery point at which such utility's supply obligations are financially settled on an hourly basis) (the "reference price") on the day preceding the day on which the electricity is delivered to the initial clean coal facility busbar, multiplied by (2) the quantity of

electricity determined pursuant to the preceding clause (i); and

(iii) not require the utility to take physical delivery of the electricity produced by the facility;

(D) general provisions, which shall:

(i) specify a term of no more than 30 years, commencing on the commercial operation date of the facility;

(ii) provide that utilities shall maintain adequate records documenting purchases under the sourcing agreements entered into to comply with this subsection (d) and shall file an accounting with the load forecast that must be filed with the Agency by July 15 of each year, in accordance with subsection (d) of Section 16-111.5 of the Public Utilities Act;

(iii) provide that all costs associated with the initial clean coal facility will be periodically reported to the Federal Energy Regulatory Commission and to purchasers in accordance with applicable laws governing cost-based wholesale power contracts;

(iv) permit the Illinois Power Agency to assume ownership of the initial clean coal facility, without monetary consideration and

otherwise on reasonable terms acceptable to the Agency, if the Agency so requests no less than 3 years prior to the end of the stated contract term;

(v) require the owner of the initial clean coal facility to provide documentation to the Commission each year, starting in the facility's first year of commercial operation, accurately reporting the quantity of carbon emissions from the facility that have been captured and sequestered and report any quantities of carbon released from the site or sites at which carbon emissions were sequestered in prior years, based on continuous monitoring of such sites. If, in any year after the first year of commercial operation, the owner of the facility fails to demonstrate that the initial clean coal facility captured and sequestered at least 50% of the total carbon emissions that the facility would otherwise emit or that sequestration of emissions from prior years has failed, resulting in the release of carbon dioxide into the atmosphere, the owner of the facility must offset excess emissions. Any such carbon offsets must be permanent, additional, verifiable, real, located within the State of Illinois, and legally and practicably enforceable.

The cost of such offsets for the facility that are not recoverable shall not exceed $15 million in any given year. No costs of any such purchases of carbon offsets may be recovered from a utility or its customers. All carbon offsets purchased for this purpose and any carbon emission credits associated with sequestration of carbon from the facility must be permanently retired. The initial clean coal facility shall not forfeit its designation as a clean coal facility if the facility fails to fully comply with the applicable carbon sequestration requirements in any given year, provided the requisite offsets are purchased. However, the Attorney General, on behalf of the People of the State of Illinois, may specifically enforce the facility's sequestration requirement and the other terms of this contract provision. Compliance with the sequestration requirements and offset purchase requirements specified in paragraph (3) of this subsection (d) shall be reviewed annually by an independent expert retained by the owner of the initial clean coal facility, with the advance written approval of the Attorney General. The Commission may, in the course of the review specified in item (vii), reduce the allowable return on equity for the

facility if the facility willfully fails to comply with the carbon capture and sequestration requirements set forth in this item (v);

(vi) include limits on, and accordingly provide for modification of, the amount the utility is required to source under the sourcing agreement consistent with paragraph (2) of this subsection (d);

(vii) require Commission review: (1) to determine the justness, reasonableness, and prudence of the inputs to the formula referenced in subparagraphs (A)(i) through (A)(iii) of paragraph (3) of this subsection (d), prior to an adjustment in those inputs including, without limitation, the capital structure and return on equity, fuel costs, and other operations and maintenance costs and (2) to approve the costs to be passed through to customers under the sourcing agreement by which the utility satisfies its statutory obligations. Commission review shall occur no less than every 3 years, regardless of whether any adjustments have been proposed, and shall be completed within 9 months;

(viii) limit the utility's obligation to such amount as the utility is allowed to recover through tariffs filed with the Commission,

provided that neither the clean coal facility nor the utility waives any right to assert federal pre-emption or any other argument in response to a purported disallowance of recovery costs;

(ix) limit the utility's or alternative retail electric supplier's obligation to incur any liability until such time as the facility is in commercial operation and generating power and energy and such power and energy is being delivered to the facility busbar;

(x) provide that the owner or owners of the initial clean coal facility, which is the counterparty to such sourcing agreement, shall have the right from time to time to elect whether the obligations of the utility party thereto shall be governed by the power purchase provisions or the contract for differences provisions;

(xi) append documentation showing that the formula rate and contract, insofar as they relate to the power purchase provisions, have been approved by the Federal Energy Regulatory Commission pursuant to Section 205 of the Federal Power Act;

(xii) provide that any changes to the terms of the contract, insofar as such changes relate to the power purchase provisions, are subject to

review under the public interest standard applied by the Federal Energy Regulatory Commission pursuant to Sections 205 and 206 of the Federal Power Act; and

(xiii) conform with customary lender requirements in power purchase agreements used as the basis for financing non-utility generators.

(4) Effective date of sourcing agreements with the initial clean coal facility. Any proposed sourcing agreement with the initial clean coal facility shall not become effective unless the following reports are prepared and submitted and authorizations and approvals obtained:

(i) Facility cost report. The owner of the initial clean coal facility shall submit to the Commission, the Agency, and the General Assembly a front-end engineering and design study, a facility cost report, method of financing (including but not limited to structure and associated costs), and an operating and maintenance cost quote for the facility (collectively "facility cost report"), which shall be prepared in accordance with the requirements of this paragraph (4) of subsection (d) of this Section, and shall provide the Commission and the Agency access to the work papers, relied upon documents, and any other backup documentation related to the facility cost report.

(ii) Commission report. Within 6 months following

receipt of the facility cost report, the Commission, in consultation with the Agency, shall submit a report to the General Assembly setting forth its analysis of the facility cost report. Such report shall include, but not be limited to, a comparison of the costs associated with electricity generated by the initial clean coal facility to the costs associated with electricity generated by other types of generation facilities, an analysis of the rate impacts on residential and small business customers over the life of the sourcing agreements, and an analysis of the likelihood that the initial clean coal facility will commence commercial operation by and be delivering power to the facility's busbar by 2016. To assist in the preparation of its report, the Commission, in consultation with the Agency, may hire one or more experts or consultants, the costs of which shall be paid for by the owner of the initial clean coal facility. The Commission and Agency may begin the process of selecting such experts or consultants prior to receipt of the facility cost report.

(iii) General Assembly approval. The proposed sourcing agreements shall not take effect unless, based on the facility cost report and the Commission's report, the General Assembly enacts authorizing legislation approving (A) the projected price, stated

in cents per kilowatthour, to be charged for electricity generated by the initial clean coal facility, (B) the projected impact on residential and small business customers' bills over the life of the sourcing agreements, and (C) the maximum allowable return on equity for the project; and

(iv) Commission review. If the General Assembly enacts authorizing legislation pursuant to subparagraph (iii) approving a sourcing agreement, the Commission shall, within 90 days of such enactment, complete a review of such sourcing agreement. During such time period, the Commission shall implement any directive of the General Assembly, resolve any disputes between the parties to the sourcing agreement concerning the terms of such agreement, approve the form of such agreement, and issue an order finding that the sourcing agreement is prudent and reasonable. The facility cost report shall be prepared as follows:

(A) The facility cost report shall be prepared by duly licensed engineering and construction firms detailing the estimated capital costs payable to one or more contractors or suppliers for the engineering, procurement and construction of the components comprising the initial clean coal facility and the estimated costs of operation and maintenance of the facility. The facility cost report shall include:

(i) an estimate of the capital cost of the core plant based on one or more front end engineering and design studies for the gasification island and related facilities. The core plant shall include all civil, structural, mechanical, electrical, control, and safety systems.

(ii) an estimate of the capital cost of the balance of the plant, including any capital costs associated with sequestration of carbon dioxide emissions and all interconnects and interfaces required to operate the facility, such as transmission of electricity, construction or backfeed power supply, pipelines to transport substitute natural gas or carbon dioxide, potable water supply, natural gas supply, water supply, water discharge, landfill, access roads, and coal delivery.

The quoted construction costs shall be expressed in nominal dollars as of the date that the quote is prepared and shall include capitalized financing costs during construction, taxes, insurance, and other owner's costs, and an assumed escalation in materials and labor beyond the date as of which the construction cost quote is expressed.

(B) The front end engineering and design study for

the gasification island and the cost study for the balance of plant shall include sufficient design work to permit quantification of major categories of materials, commodities and labor hours, and receipt of quotes from vendors of major equipment required to construct and operate the clean coal facility.

(C) The facility cost report shall also include an operating and maintenance cost quote that will provide the estimated cost of delivered fuel, personnel, maintenance contracts, chemicals, catalysts, consumables, spares, and other fixed and variable operations and maintenance costs. The delivered fuel cost estimate will be provided by a recognized third party expert or experts in the fuel and transportation industries. The balance of the operating and maintenance cost quote, excluding delivered fuel costs, will be developed based on the inputs provided by duly licensed engineering and construction firms performing the construction cost quote, potential vendors under long-term service agreements and plant operating agreements, or recognized third party plant operator or operators.

The operating and maintenance cost quote (including the cost of the front end engineering and design study) shall be expressed in nominal dollars as of the date that the quote is prepared and shall

include taxes, insurance, and other owner's costs, and an assumed escalation in materials and labor beyond the date as of which the operating and maintenance cost quote is expressed.

(D) The facility cost report shall also include an analysis of the initial clean coal facility's ability to deliver power and energy into the applicable regional transmission organization markets and an analysis of the expected capacity factor for the initial clean coal facility.

(E) Amounts paid to third parties unrelated to the owner or owners of the initial clean coal facility to prepare the core plant construction cost quote, including the front end engineering and design study, and the operating and maintenance cost quote will be reimbursed through Coal Development Bonds.

(5) Re-powering and retrofitting coal-fired power plants previously owned by Illinois utilities to qualify as clean coal facilities. During the 2009 procurement planning process and thereafter, the Agency and the Commission shall consider sourcing agreements covering electricity generated by power plants that were previously owned by Illinois utilities and that have been or will be converted into clean coal facilities, as defined by Section 1-10 of this Act. Pursuant to such procurement planning process, the owners of such facilities may

propose to the Agency sourcing agreements with utilities and alternative retail electric suppliers required to comply with subsection (d) of this Section and item (5) of subsection (d) of Section 16-115 of the Public Utilities Act, covering electricity generated by such facilities. In the case of sourcing agreements that are power purchase agreements, the contract price for electricity sales shall be established on a cost of service basis. In the case of sourcing agreements that are contracts for differences, the contract price from which the reference price is subtracted shall be established on a cost of service basis. The Agency and the Commission may approve any such utility sourcing agreements that do not exceed cost-based benchmarks developed by the procurement administrator, in consultation with the Commission staff, Agency staff and the procurement monitor, subject to Commission review and approval. The Commission shall have authority to inspect all books and records associated with these clean coal facilities during the term of any such contract.

(6) Costs incurred under this subsection (d) or pursuant to a contract entered into under this subsection (d) shall be deemed prudently incurred and reasonable in amount and the electric utility shall be entitled to full cost recovery pursuant to the tariffs filed with the Commission.

(d-5) Zero emission standard.

(1) Beginning with the delivery year commencing on June 1, 2017, the Agency shall, for electric utilities that serve at least 100,000 retail customers in this State, procure contracts with zero emission facilities that are reasonably capable of generating cost-effective zero emission credits in an amount approximately equal to 16% of the actual amount of electricity delivered by each electric utility to retail customers in the State during calendar year 2014. For an electric utility serving fewer than 100,000 retail customers in this State that requested, under Section 16-111.5 of the Public Utilities Act, that the Agency procure power and energy for all or a portion of the utility's Illinois load for the delivery year commencing June 1, 2016, the Agency shall procure contracts with zero emission facilities that are reasonably capable of generating cost-effective zero emission credits in an amount approximately equal to 16% of the portion of power and energy to be procured by the Agency for the utility. The duration of the contracts procured under this subsection (d-5) shall be for a term of 10 years ending May 31, 2027. The quantity of zero emission credits to be procured under the contracts shall be all of the zero emission credits generated by the zero emission facility in each delivery year; however, if the zero emission facility is owned by more than one entity, then the quantity of zero emission credits to be procured

under the contracts shall be the amount of zero emission credits that are generated from the portion of the zero emission facility that is owned by the winning supplier.

The 16% value identified in this paragraph (1) is the average of the percentage targets in subparagraph (B) of paragraph (1) of subsection (c) of this Section for the 5 delivery years beginning June 1, 2017.

The procurement process shall be subject to the following provisions:

(A) Those zero emission facilities that intend to participate in the procurement shall submit to the Agency the following eligibility information for each zero emission facility on or before the date established by the Agency:

(i) the in-service date and remaining useful life of the zero emission facility;

(ii) the amount of power generated annually for each of the years 2005 through 2015, and the projected zero emission credits to be generated over the remaining useful life of the zero emission facility, which shall be used to determine the capability of each facility;

(iii) the annual zero emission facility cost projections, expressed on a per megawatthour basis, over the next 6 delivery years, which shall include the following: operation and maintenance

expenses; fully allocated overhead costs, which shall be allocated using the methodology developed by the Institute for Nuclear Power Operations; fuel expenditures; non-fuel capital expenditures; spent fuel expenditures; a return on working capital; the cost of operational and market risks that could be avoided by ceasing operation; and any other costs necessary for continued operations, provided that "necessary" means, for purposes of this item (iii), that the costs could reasonably be avoided only by ceasing operations of the zero emission facility; and

(iv) a commitment to continue operating, for the duration of the contract or contracts executed under the procurement held under this subsection (d-5), the zero emission facility that produces the zero emission credits to be procured in the procurement.

The information described in item (iii) of this subparagraph (A) may be submitted on a confidential basis and shall be treated and maintained by the Agency, the procurement administrator, and the Commission as confidential and proprietary and exempt from disclosure under subparagraphs (a) and (g) of paragraph (1) of Section 7 of the Freedom of Information Act. The Office of Attorney General shall

have access to, and maintain the confidentiality of, such information pursuant to Section 6.5 of the Attorney General Act.

(B) The price for each zero emission credit procured under this subsection (d-5) for each delivery year shall be in an amount that equals the Social Cost of Carbon, expressed on a price per megawatthour basis. However, to ensure that the procurement remains affordable to retail customers in this State if electricity prices increase, the price in an applicable delivery year shall be reduced below the Social Cost of Carbon by the amount ("Price Adjustment") by which the market price index for the applicable delivery year exceeds the baseline market price index for the consecutive 12-month period ending May 31, 2016. If the Price Adjustment is greater than or equal to the Social Cost of Carbon in an applicable delivery year, then no payments shall be due in that delivery year. The components of this calculation are defined as follows:

(i) Social Cost of Carbon: The Social Cost of Carbon is $16.50 per megawatthour, which is based on the U.S. Interagency Working Group on Social Cost of Carbon's price in the August 2016 Technical Update using a 3% discount rate, adjusted for inflation for each year of the

program. Beginning with the delivery year commencing June 1, 2023, the price per megawatthour shall increase by $1 per megawatthour, and continue to increase by an additional $1 per megawatthour each delivery year thereafter.

(ii) Baseline market price index: The baseline market price index for the consecutive 12-month period ending May 31, 2016 is $31.40 per megawatthour, which is based on the sum of (aa) the average day-ahead energy price across all hours of such 12-month period at the PJM Interconnection LLC Northern Illinois Hub, (bb) 50% multiplied by the Base Residual Auction, or its successor, capacity price for the rest of the RTO zone group determined by PJM Interconnection LLC, divided by 24 hours per day, and (cc) 50% multiplied by the Planning Resource Auction, or its successor, capacity price for Zone 4 determined by the Midcontinent Independent System Operator, Inc., divided by 24 hours per day.

(iii) Market price index: The market price index for a delivery year shall be the sum of projected energy prices and projected capacity prices determined as follows:

(aa) Projected energy prices: the

projected energy prices for the applicable delivery year shall be calculated once for the year using the forward market price for the PJM Interconnection, LLC Northern Illinois Hub. The forward market price shall be calculated as follows: the energy forward prices for each month of the applicable delivery year averaged for each trade date during the calendar year immediately preceding that delivery year to produce a single energy forward price for the delivery year. The forward market price calculation shall use data published by the Intercontinental Exchange, or its successor.

(bb) Projected capacity prices:

(I) For the delivery years commencing June 1, 2017, June 1, 2018, and June 1, 2019, the projected capacity price shall be equal to the sum of (1) 50% multiplied by the Base Residual Auction, or its successor, price for the rest of the RTO zone group as determined by PJM Interconnection LLC, divided by 24 hours per day and, (2) 50% multiplied by the resource auction price determined in the resource auction administered by the

Midcontinent Independent System Operator, Inc., in which the largest percentage of load cleared for Local Resource Zone 4, divided by 24 hours per day, and where such price is determined by the Midcontinent Independent System Operator, Inc.

(II) For the delivery year commencing June 1, 2020, and each year thereafter, the projected capacity price shall be equal to the sum of (1) 50% multiplied by the Base Residual Auction, or its successor, price for the ComEd zone as determined by PJM Interconnection LLC, divided by 24 hours per day, and (2) 50% multiplied by the resource auction price determined in the resource auction administered by the Midcontinent Independent System Operator, Inc., in which the largest percentage of load cleared for Local Resource Zone 4, divided by 24 hours per day, and where such price is determined by the Midcontinent Independent System Operator, Inc.

For purposes of this subsection (d-5):

"Rest of the RTO" and "ComEd Zone" shall have

the meaning ascribed to them by PJM Interconnection, LLC.

"RTO" means regional transmission organization.

(C) No later than 45 days after June 1, 2017 (the effective date of Public Act 99-906), the Agency shall publish its proposed zero emission standard procurement plan. The plan shall be consistent with the provisions of this paragraph (1) and shall provide that winning bids shall be selected based on public interest criteria that include, but are not limited to, minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the citizens of this State. In particular, the selection of winning bids shall take into account the incremental environmental benefits resulting from the procurement, such as any existing environmental benefits that are preserved by the procurements held under Public Act 99-906 and would cease to exist if the procurements were not held, including the preservation of zero emission facilities. The plan shall also describe in detail how each public interest factor shall be considered and weighted in the bid selection process to ensure that the public interest criteria are applied to the

procurement and given full effect.

For purposes of developing the plan, the Agency shall consider any reports issued by a State agency, board, or commission under House Resolution 1146 of the 98th General Assembly and paragraph (4) of subsection (d) of this Section, as well as publicly available analyses and studies performed by or for regional transmission organizations that serve the State and their independent market monitors.

Upon publishing of the zero emission standard procurement plan, copies of the plan shall be posted and made publicly available on the Agency's website. All interested parties shall have 10 days following the date of posting to provide comment to the Agency on the plan. All comments shall be posted to the Agency's website. Following the end of the comment period, but no more than 60 days later than June 1, 2017 (the effective date of Public Act 99-906), the Agency shall revise the plan as necessary based on the comments received and file its zero emission standard procurement plan with the Commission.

If the Commission determines that the plan will result in the procurement of cost-effective zero emission credits, then the Commission shall, after notice and hearing, but no later than 45 days after the Agency filed the plan, approve the plan or approve

with modification. For purposes of this subsection (d-5), "cost effective" means the projected costs of procuring zero emission credits from zero emission facilities do not cause the limit stated in paragraph (2) of this subsection to be exceeded.

(C-5) As part of the Commission's review and acceptance or rejection of the procurement results, the Commission shall, in its public notice of successful bidders:

(i) identify how the winning bids satisfy the public interest criteria described in subparagraph (C) of this paragraph (1) of minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the citizens of this State;

(ii) specifically address how the selection of winning bids takes into account the incremental environmental benefits resulting from the procurement, including any existing environmental benefits that are preserved by the procurements held under Public Act 99-906 and would have ceased to exist if the procurements had not been held, such as the preservation of zero emission facilities;

(iii) quantify the environmental benefit of preserving the resources identified in item (ii) of this subparagraph (C-5), including the following:

(aa) the value of avoided greenhouse gas emissions measured as the product of the zero emission facilities' output over the contract term multiplied by the U.S. Environmental Protection Agency eGrid subregion carbon dioxide emission rate and the U.S. Interagency Working Group on Social Cost of Carbon's price in the August 2016 Technical Update using a 3% discount rate, adjusted for inflation for each delivery year; and

(bb) the costs of replacement with other zero carbon dioxide resources, including wind and photovoltaic, based upon the simple average of the following:

(I) the price, or if there is more than one price, the average of the prices, paid for renewable energy credits from new utility-scale wind projects in the procurement events specified in item (i) of subparagraph (G) of paragraph (1) of subsection (c) of this Section; and

(II) the price, or if there is more

than one price, the average of the prices, paid for renewable energy credits from new utility-scale solar projects and brownfield site photovoltaic projects in the procurement events specified in item (ii) of subparagraph (G) of paragraph (1) of subsection (c) of this Section and, after January 1, 2015, renewable energy credits from photovoltaic distributed generation projects in procurement events held under subsection (c) of this Section.

Each utility shall enter into binding contractual arrangements with the winning suppliers.

The procurement described in this subsection (d-5), including, but not limited to, the execution of all contracts procured, shall be completed no later than May 10, 2017. Based on the effective date of Public Act 99-906, the Agency and Commission may, as appropriate, modify the various dates and timelines under this subparagraph and subparagraphs (C) and (D) of this paragraph (1). The procurement and plan approval processes required by this subsection (d-5) shall be conducted in conjunction with the procurement and plan approval processes required by subsection (c) of this Section and Section 16-111.5 of the Public Utilities Act, to the extent practicable.

Notwithstanding whether a procurement event is conducted under Section 16-111.5 of the Public Utilities Act, the Agency shall immediately initiate a procurement process on June 1, 2017 (the effective date of Public Act 99-906).

(D) Following the procurement event described in this paragraph (1) and consistent with subparagraph (B) of this paragraph (1), the Agency shall calculate the payments to be made under each contract for the next delivery year based on the market price index for that delivery year. The Agency shall publish the payment calculations no later than May 25, 2017 and every May 25 thereafter.

(E) Notwithstanding the requirements of this subsection (d-5), the contracts executed under this subsection (d-5) shall provide that the zero emission facility may, as applicable, suspend or terminate performance under the contracts in the following instances:

(i) A zero emission facility shall be excused from its performance under the contract for any cause beyond the control of the resource, including, but not restricted to, acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute, labor or material

shortage, sabotage, acts of public enemy, explosions, orders, regulations or restrictions imposed by governmental, military, or lawfully established civilian authorities, which, in any of the foregoing cases, by exercise of commercially reasonable efforts the zero emission facility could not reasonably have been expected to avoid, and which, by the exercise of commercially reasonable efforts, it has been unable to overcome. In such event, the zero emission facility shall be excused from performance for the duration of the event, including, but not limited to, delivery of zero emission credits, and no payment shall be due to the zero emission facility during the duration of the event.

(ii) A zero emission facility shall be permitted to terminate the contract if legislation is enacted into law by the General Assembly that imposes or authorizes a new tax, special assessment, or fee on the generation of electricity, the ownership or leasehold of a generating unit, or the privilege or occupation of such generation, ownership, or leasehold of generation units by a zero emission facility. However, the provisions of this item (ii) do not apply to any generally applicable tax, special

assessment or fee, or requirements imposed by federal law.

(iii) A zero emission facility shall be permitted to terminate the contract in the event that the resource requires capital expenditures in excess of $40,000,000 that were neither known nor reasonably foreseeable at the time it executed the contract and that a prudent owner or operator of such resource would not undertake.

(iv) A zero emission facility shall be permitted to terminate the contract in the event the Nuclear Regulatory Commission terminates the resource's license.

(F) If the zero emission facility elects to terminate a contract under subparagraph (E) of this paragraph (1), then the Commission shall reopen the docket in which the Commission approved the zero emission standard procurement plan under subparagraph (C) of this paragraph (1) and, after notice and hearing, enter an order acknowledging the contract termination election if such termination is consistent with the provisions of this subsection (d-5).

(2) For purposes of this subsection (d-5), the amount paid per kilowatthour means the total amount paid for electric service expressed on a per kilowatthour basis. For purposes of this subsection (d-5), the total amount

paid for electric service includes, without limitation, amounts paid for supply, transmission, distribution, surcharges, and add-on taxes.

Notwithstanding the requirements of this subsection (d-5), the contracts executed under this subsection (d-5) shall provide that the total of zero emission credits procured under a procurement plan shall be subject to the limitations of this paragraph (2). For each delivery year, the contractual volume receiving payments in such year shall be reduced for all retail customers based on the amount necessary to limit the net increase that delivery year to the costs of those credits included in the amounts paid by eligible retail customers in connection with electric service to no more than 1.65% of the amount paid per kilowatthour by eligible retail customers during the year ending May 31, 2009. The result of this computation shall apply to and reduce the procurement for all retail customers, and all those customers shall pay the same single, uniform cents per kilowatthour charge under subsection (k) of Section 16-108 of the Public Utilities Act. To arrive at a maximum dollar amount of zero emission credits to be paid for the particular delivery year, the resulting per kilowatthour amount shall be applied to the actual amount of kilowatthours of electricity delivered by the electric utility in the delivery year immediately prior to the procurement, to all retail customers in its

service territory. Unpaid contractual volume for any delivery year shall be paid in any subsequent delivery year in which such payments can be made without exceeding the amount specified in this paragraph (2). The calculations required by this paragraph (2) shall be made only once for each procurement plan year. Once the determination as to the amount of zero emission credits to be paid is made based on the calculations set forth in this paragraph (2), no subsequent rate impact determinations shall be made and no adjustments to those contract amounts shall be allowed. All costs incurred under those contracts and in implementing this subsection (d-5) shall be recovered by the electric utility as provided in this Section.

No later than June 30, 2019, the Commission shall review the limitation on the amount of zero emission credits procured under this subsection (d-5) and report to the General Assembly its findings as to whether that limitation unduly constrains the procurement of cost-effective zero emission credits.

(3) Six years after the execution of a contract under this subsection (d-5), the Agency shall determine whether the actual zero emission credit payments received by the supplier over the 6-year period exceed the Average ZEC Payment. In addition, at the end of the term of a contract executed under this subsection (d-5), or at the time, if

any, a zero emission facility's contract is terminated under subparagraph (E) of paragraph (1) of this subsection (d-5), then the Agency shall determine whether the actual zero emission credit payments received by the supplier over the term of the contract exceed the Average ZEC Payment, after taking into account any amounts previously credited back to the utility under this paragraph (3). If the Agency determines that the actual zero emission credit payments received by the supplier over the relevant period exceed the Average ZEC Payment, then the supplier shall credit the difference back to the utility. The amount of the credit shall be remitted to the applicable electric utility no later than 120 days after the Agency's determination, which the utility shall reflect as a credit on its retail customer bills as soon as practicable; however, the credit remitted to the utility shall not exceed the total amount of payments received by the facility under its contract.

For purposes of this Section, the Average ZEC Payment shall be calculated by multiplying the quantity of zero emission credits delivered under the contract times the average contract price. The average contract price shall be determined by subtracting the amount calculated under subparagraph (B) of this paragraph (3) from the amount calculated under subparagraph (A) of this paragraph (3), as follows:

(A) The average of the Social Cost of Carbon, as defined in subparagraph (B) of paragraph (1) of this subsection (d-5), during the term of the contract.

(B) The average of the market price indices, as defined in subparagraph (B) of paragraph (1) of this subsection (d-5), during the term of the contract, minus the baseline market price index, as defined in subparagraph (B) of paragraph (1) of this subsection (d-5).

If the subtraction yields a negative number, then the Average ZEC Payment shall be zero.

(4) Cost-effective zero emission credits procured from zero emission facilities shall satisfy the applicable definitions set forth in Section 1-10 of this Act.

(5) The electric utility shall retire all zero emission credits used to comply with the requirements of this subsection (d-5).

(6) Electric utilities shall be entitled to recover all of the costs associated with the procurement of zero emission credits through an automatic adjustment clause tariff in accordance with subsection (k) and (m) of Section 16-108 of the Public Utilities Act, and the contracts executed under this subsection (d-5) shall provide that the utilities' payment obligations under such contracts shall be reduced if an adjustment is required under subsection (m) of Section 16-108 of the Public

Utilities Act.

(7) This subsection (d-5) shall become inoperative on January 1, 2028.

(d-10) Nuclear Plant Assistance; carbon mitigation credits.

(1) The General Assembly finds:

(A) The health, welfare, and prosperity of all Illinois citizens require that the State of Illinois act to avoid and not increase carbon emissions from electric generation sources while continuing to ensure affordable, stable, and reliable electricity to all citizens.

(B) Absent immediate action by the State to preserve existing carbon-free energy resources, those resources may retire, and the electric generation needs of Illinois' retail customers may be met instead by facilities that emit significant amounts of carbon pollution and other harmful air pollutants at a high social and economic cost until Illinois is able to develop other forms of clean energy.

(C) The General Assembly finds that nuclear power generation is necessary for the State's transition to 100% clean energy, and ensuring continued operation of nuclear plants advances environmental and public health interests through providing carbon-free electricity while reducing the air pollution profile of the Illinois energy generation fleet.

(D) The clean energy attributes of nuclear generation facilities support the State in its efforts to achieve 100% clean energy.

(E) The State currently invests in various forms of clean energy, including, but not limited to, renewable energy, energy efficiency, and low-emission vehicles, among others.

(F) The Environmental Protection Agency commissioned an independent audit which provided a detailed assessment of the financial condition of the Illinois nuclear fleet to evaluate its financial viability and whether the environmental benefits of such resources were at risk. The report identified the risk of losing the environmental benefits of several specific nuclear units. The report also identified that the LaSalle County Generating Station will continue to operate through 2026 and therefore is not eligible to participate in the carbon mitigation credit program.

(G) Nuclear plants provide carbon-free energy, which helps to avoid many health-related negative impacts for Illinois residents.

(H) The procurement of carbon mitigation credits representing the environmental benefits of carbon-free generation will further the State's efforts at achieving 100% clean energy and decarbonizing the electricity sector in a safe, reliable, and affordable manner. Further, the

procurement of carbon emission credits will enhance the health and welfare of Illinois residents through decreased reliance on more highly polluting generation.

(I) The General Assembly therefore finds it necessary to establish carbon mitigation credits to ensure decreased reliance on more carbon-intensive energy resources, for transitioning to a fully decarbonized electricity sector, and to help ensure health and welfare of the State's residents.

(2) As used in this subsection:

"Baseline costs" means costs used to establish a customer protection cap that have been evaluated through an independent audit of a carbon-free energy resource conducted by the Environmental Protection Agency that evaluated projected annual costs for operation and maintenance expenses; fully allocated overhead costs, which shall be allocated using the methodology developed by the Institute for Nuclear Power Operations; fuel expenditures; nonfuel capital expenditures; spent fuel expenditures; a return on working capital; the cost of operational and market risks that could be avoided by ceasing operation; and any other costs necessary for continued operations, provided that "necessary" means, for purposes of this definition, that the costs could reasonably be avoided only by ceasing operations of the carbon-free energy resource.

"Carbon mitigation credit" means a tradable credit that represents the carbon emission reduction attributes of one

megawatt-hour of energy produced from a carbon-free energy resource.

"Carbon-free energy resource" means a generation facility that: (1) is fueled by nuclear power; and (2) is interconnected to PJM Interconnection, LLC.

(3) Procurement.

(A) Beginning with the delivery year commencing on June 1, 2022, the Agency shall, for electric utilities serving at least 3,000,000 retail customers in the State, seek to procure contracts for no more than approximately 54,500,000 cost-effective carbon mitigation credits from carbon-free energy resources because such credits are necessary to support current levels of carbon-free energy generation and ensure the State meets its carbon dioxide emissions reduction goals. The Agency shall not make a partial award of a contract for carbon mitigation credits covering a fractional amount of a carbon-free energy resource's projected output.

(B) Each carbon-free energy resource that intends to participate in a procurement shall be required to submit to the Agency the following information for the resource on or before the date established by the Agency:

(i) the in-service date and remaining useful life of the carbon-free energy resource;

(ii) the amount of power generated annually for each of the past 10 years, which shall be used to

determine the capability of each facility;

(iii) a commitment to be reflected in any contract entered into pursuant to this subsection (d-10) to continue operating the carbon-free energy resource at a capacity factor of at least 88% annually on average for the duration of the contract or contracts executed under the procurement held under this subsection (d-10), except in an instance described in subparagraph (E) of paragraph (1) of subsection (d-5) of this Section or made impracticable as a result of compliance with law or regulation;

(iv) financial need and the risk of loss of the environmental benefits of such resource, which shall include the following information:

(I) the carbon-free energy resource's cost projections, expressed on a per megawatt-hour basis, over the next 5 delivery years, which shall include the following: operation and maintenance expenses; fully allocated overhead costs, which shall be allocated using the methodology developed by the Institute for Nuclear Power Operations; fuel expenditures; nonfuel capital expenditures; spent fuel expenditures; a return on working capital; the cost of operational and market risks that could be avoided by ceasing operation; and any other costs necessary for continued

operations, provided that "necessary" means, for purposes of this subitem (I), that the costs could reasonably be avoided only by ceasing operations of the carbon-free energy resource; and

(II) the carbon-free energy resource's revenue projections, including energy, capacity, ancillary services, any other direct State support, known or anticipated federal attribute credits, known or anticipated tax credits, and any other direct federal support.

The information described in this subparagraph (B) may be submitted on a confidential basis and shall be treated and maintained by the Agency, the procurement administrator, and the Commission as confidential and proprietary and exempt from disclosure under subparagraphs (a) and (g) of paragraph (1) of Section 7 of the Freedom of Information Act. The Office of the Attorney General shall have access to, and maintain the confidentiality of, such information pursuant to Section 6.5 of the Attorney General Act.

(C) The Agency shall solicit bids for the contracts described in this subsection (d-10) from carbon-free energy resources that have satisfied the requirements of subparagraph (B) of this paragraph (3). The contracts procured pursuant to a procurement event shall reflect, and be subject to, the following terms, requirements, and

limitations:

(i) Contracts are for delivery of carbon mitigation credits, and are not energy or capacity sales contracts requiring physical delivery. Pursuant to item (iii), contract payments shall fully deduct the value of any monetized federal production tax credits, credits issued pursuant to a federal clean energy standard, and other federal credits if applicable.

(ii) Contracts for carbon mitigation credits shall commence with the delivery year beginning on June 1, 2022 and shall be for a term of 5 delivery years concluding on May 31, 2027.

(iii) The price per carbon mitigation credit to be paid under a contract for a given delivery year shall be equal to an accepted bid price less the sum of:

(I) one of the following energy price indices, selected by the bidder at the time of the bid for the term of the contract:

(aa) the weighted-average hourly day-ahead price for the applicable delivery year at the busbar of all resources procured pursuant to this subsection (d-10), weighted by actual production from the resources; or

(bb) the projected energy price for the PJM Interconnection, LLC Northern Illinois Hub

for the applicable delivery year determined according to subitem (aa) of item (iii) of subparagraph (B) of paragraph (1) of subsection (d-5).

(II) the Base Residual Auction Capacity Price for the ComEd zone as determined by PJM Interconnection, LLC, divided by 24 hours per day, for the applicable delivery year for the first 3 delivery years, and then any subsequent delivery years unless the PJM Interconnection, LLC applies the Minimum Offer Price Rule to participating carbon-free energy resources because they supply carbon mitigation credits pursuant to this Section at which time, upon notice by the carbon-free energy resource to the Commission and subject to the Commission's confirmation, the value under this subitem shall be zero, as further described in the carbon mitigation credit procurement plan; and

(III) any value of monetized federal tax credits, direct payments, or similar subsidy provided to the carbon-free energy resource from any unit of government that is not already reflected in energy prices.

If the price-per-megawatt-hour calculation performed under item (iii) of this subparagraph (C)

for a given delivery year results in a net positive value, then the electric utility counterparty to the contract shall multiply such net value by the applicable contract quantity and remit the amount to the supplier.

To protect retail customers from retail rate impacts that may arise upon the initiation of carbon policy changes, if the price-per-megawatt-hour calculation performed under item (iii) of this subparagraph (C) for a given delivery year results in a net negative value, then the supplier counterparty to the contract shall multiply such net value by the applicable contract quantity and remit such amount to the electric utility counterparty. The electric utility shall reflect such amounts remitted by suppliers as a credit on its retail customer bills as soon as practicable.

(iv) to ensure that retail customers in Northern Illinois do not pay more for carbon mitigation credits than the value such credits provide, and notwithstanding the provisions of this subsection (d-10), the Agency shall not accept bids for contracts that exceed a customer protection cap equal to the baseline costs of carbon-free energy resources.

The baseline costs for the applicable year shall be the following:

(I) For the delivery year beginning June 1, 2022, the baseline costs shall be an amount equal to $30.30 per megawatt-hour.

(II) For the delivery year beginning June 1, 2023, the baseline costs shall be an amount equal to $32.50 per megawatt-hour.

(III) For the delivery year beginning June 1, 2024, the baseline costs shall be an amount equal to $33.43 per megawatt-hour.

(IV) For the delivery year beginning June 1, 2025, the baseline costs shall be an amount equal to $33.50 per megawatt-hour.

(V) For the delivery year beginning June 1, 2026, the baseline costs shall be an amount equal to $34.50 per megawatt-hour.

An Environmental Protection Agency consultant forecast, included in a report issued April 14, 2021, projects that a carbon-free energy resource has the opportunity to earn on average approximately $30.28 per megawatt-hour, for the sale of energy and capacity during the time period between 2022 and 2027. Therefore, the sale of carbon mitigation credits provides the opportunity to receive an additional amount per megawatt-hour in addition to the projected prices for energy and capacity.

Although actual energy and capacity prices may

vary from year-to-year, the General Assembly finds that this customer protection cap will help ensure that the cost of carbon mitigation credits will be less than its value, based upon the social cost of carbon identified in the Technical Support Document issued in February 2021 by the U.S. Interagency Working Group on Social Cost of Greenhouse Gases and the PJM Interconnection, LLC carbon dioxide marginal emission rate for 2020, and that a carbon-free energy resource receiving payment for carbon mitigation credits receives no more than necessary to keep those units in operation.

(D) No later than 7 days after the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall publish its proposed carbon mitigation credit procurement plan. The Plan shall provide that winning bids shall be selected by taking into consideration which resources best match public interest criteria that include, but are not limited to, minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the citizens of this State. The selection of winning bids shall also take into account the incremental environmental benefits resulting from the procurement or procurements, such as any existing environmental benefits that are

preserved by a procurement held under this subsection (d-10) and would cease to exist if the procurement were not held, including the preservation of carbon-free energy resources. For those bidders having the same public interest criteria score, the relative ranking of such bidders shall be determined by price. The Plan shall describe in detail how each public interest factor shall be considered and weighted in the bid selection process to ensure that the public interest criteria are applied to the procurement. The Plan shall, to the extent practical and permissible by federal law, ensure that successful bidders make commercially reasonable efforts to apply for federal tax credits, direct payments, or similar subsidy programs that support carbon-free generation and for which the successful bidder is eligible. Upon publishing of the carbon mitigation credit procurement plan, copies of the plan shall be posted and made publicly available on the Agency's website. All interested parties shall have 7 days following the date of posting to provide comment to the Agency on the plan. All comments shall be posted to the Agency's website. Following the end of the comment period, but no more than 19 days later than the effective date of this amendatory Act of the 102nd General Assembly, the Agency shall revise the plan as necessary based on the comments received and file its carbon mitigation credit procurement plan with the Commission.

(E) If the Commission determines that the plan is likely to result in the procurement of cost-effective carbon mitigation credits, then the Commission shall, after notice and hearing and opportunity for comment, but no later than 42 days after the Agency filed the plan, approve the plan or approve it with modification. For purposes of this subsection (d-10), "cost-effective" means carbon mitigation credits that are procured from carbon-free energy resources at prices that are within the limits specified in this paragraph (3). As part of the Commission's review and acceptance or rejection of the procurement results, the Commission shall, in its public notice of successful bidders:

(i) identify how the selected carbon-free energy resources satisfy the public interest criteria described in this paragraph (3) of minimizing carbon dioxide emissions that result from electricity consumed in Illinois and minimizing sulfur dioxide, nitrogen oxide, and particulate matter emissions that adversely affect the citizens of this State;

(ii) specifically address how the selection of carbon-free energy resources takes into account the incremental environmental benefits resulting from the procurement, including any existing environmental benefits that are preserved by the procurements held under this amendatory Act of the 102nd General

Assembly and would have ceased to exist if the procurements had not been held, such as the preservation of carbon-free energy resources;

(iii) quantify the environmental benefit of preserving the carbon-free energy resources procured pursuant to this subsection (d-10), including the following:

(I) an assessment value of avoided greenhouse gas emissions measured as the product of the carbon-free energy resources' output over the contract term, using generally accepted methodologies for the valuation of avoided emissions; and

(II) an assessment of costs of replacement with other carbon-free energy resources and renewable energy resources, including wind and photovoltaic generation, based upon an assessment of the prices paid for renewable energy credits through programs and procurements conducted pursuant to subsection (c) of Section 1-75 of this Act, and the additional storage necessary to produce the same or similar capability of matching customer usage patterns.

(F) The procurements described in this paragraph (3), including, but not limited to, the execution of all contracts procured, shall be completed no later than

December 3, 2021. The procurement and plan approval processes required by this paragraph (3) shall be conducted in conjunction with the procurement and plan approval processes required by Section 16-111.5 of the Public Utilities Act, to the extent practicable. However, the Agency and Commission may, as appropriate, modify the various dates and timelines under this subparagraph and subparagraphs (D) and (E) of this paragraph (3) to meet the December 3, 2021 contract execution deadline. Following the completion of such procurements, and consistent with this paragraph (3), the Agency shall calculate the payments to be made under each contract in a timely fashion.

(F-1) Costs incurred by the electric utility pursuant to a contract authorized by this subsection (d-10) shall be deemed prudently incurred and reasonable in amount, and the electric utility shall be entitled to full cost recovery pursuant to a tariff or tariffs filed with the Commission.

(G) The counterparty electric utility shall retire all carbon mitigation credits used to comply with the requirements of this subsection (d-10).

(H) If a carbon-free energy resource is sold to another owner, the rights, obligations, and commitments under this subsection (d-10) shall continue to the subsequent owner.

(I) This subsection (d-10) shall become inoperative on January 1, 2028.

(e) The draft procurement plans are subject to public comment, as required by Section 16-111.5 of the Public Utilities Act.

(f) The Agency shall submit the final procurement plan to the Commission. The Agency shall revise a procurement plan if the Commission determines that it does not meet the standards set forth in Section 16-111.5 of the Public Utilities Act.

(g) The Agency shall assess fees to each affected utility to recover the costs incurred in preparation of the annual procurement plan for the utility.

(h) The Agency shall assess fees to each bidder to recover the costs incurred in connection with a competitive procurement process.

(i) A renewable energy credit, carbon emission credit, ~~or~~ zero emission credit, or carbon mitigation credit can only be used once to comply with a single portfolio or other standard as set forth in subsection (c), subsection (d), or subsection (d-5) of this Section, respectively. A renewable energy credit, carbon emission credit, ~~or~~ zero emission credit, or carbon mitigation credit cannot be used to satisfy the requirements of more than one standard. If more than one type of credit is issued for the same megawatt hour of energy, only one credit can be used to satisfy the requirements of a single standard. After such use, the credit must be retired together

with any other credits issued for the same megawatt hour of energy.

(Source: P.A. 100-863, eff. 8-14-18; 101-81, eff. 7-12-19; 101-113, eff. 1-1-20.)

(20 ILCS 3855/1-92)

Sec. 1-92. Aggregation of electrical load by municipalities, townships, and counties.

(a) The corporate authorities of a municipality, township board, or county board of a county may adopt an ordinance under which it may aggregate in accordance with this Section residential and small commercial retail electrical loads located, respectively, within the municipality, the township, or the unincorporated areas of the county and, for that purpose, may solicit bids and enter into service agreements to facilitate for those loads the sale and purchase of electricity and related services and equipment.

The corporate authorities, township board, or county board may also exercise such authority jointly with any other municipality, township, or county. Two or more municipalities, townships, or counties, or a combination of both, may initiate a process jointly to authorize aggregation by a majority vote of each particular municipality, township, or county as required by this Section.

If the corporate authorities, township board, or the county board seek to operate the aggregation program as an

opt-out program for residential and small commercial retail customers, then prior to the adoption of an ordinance with respect to aggregation of residential and small commercial retail electric loads, the corporate authorities of a municipality, the township board, or the county board of a county shall submit a referendum to its residents to determine whether or not the aggregation program shall operate as an opt-out program for residential and small commercial retail customers. Any county board that seeks to submit such a referendum to its residents shall do so only in unincorporated areas of the county where no electric aggregation ordinance has been adopted.

In addition to the notice and conduct requirements of the general election law, notice of the referendum shall state briefly the purpose of the referendum. The question of whether the corporate authorities, the township board, or the county board shall adopt an opt-out aggregation program for residential and small commercial retail customers shall be submitted to the electors of the municipality, township board, or county board at a regular election and approved by a majority of the electors voting on the question. The corporate authorities, township board, or county board must certify to the proper election authority, which must submit the question at an election in accordance with the Election Code.

The election authority must submit the question in substantially the following form:

Shall the (municipality, township, or county in which the question is being voted upon) have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?

The election authority must record the votes as "Yes" or "No".

If a majority of the electors voting on the question vote in the affirmative, then the corporate authorities, township board, or county board may implement an opt-out aggregation program for residential and small commercial retail customers.

A referendum must pass in each particular municipality, township, or county that is engaged in the aggregation program. If the referendum fails, then the corporate authorities, township board, or county board shall operate the aggregation program as an opt-in program for residential and small commercial retail customers.

An ordinance under this Section shall specify whether the aggregation will occur only with the prior consent of each person owning, occupying, controlling, or using an electric load center proposed to be aggregated. Nothing in this Section, however, authorizes the aggregation of electric loads that are served or authorized to be served by an electric cooperative as defined by and pursuant to the Electric Supplier Act or loads served by a municipality that owns and operates its own electric distribution system. No aggregation shall take effect unless approved by a majority of the members

of the corporate authority, township board, or county board voting upon the ordinance.

A governmental aggregator under this Section is not a public utility or an alternative retail electric supplier.

For purposes of this Section, "township" means the portion of a township that is an unincorporated portion of a county that is not otherwise a part of a municipality. In addition to such other limitations as are included in this Section, a township board shall only have authority to aggregate residential and small commercial customer loads in accordance with this Section if the county board of the county in which the township is located (i) is not also submitting a referendum to its residents at the same general election that the township board proposes to submit a referendum under this subsection (a), (ii) has not received authorization through passage of a referendum to operate an opt-out aggregation program for residential and small commercial retail customers under this subsection (a), and (iii) has not otherwise enacted an ordinance under this subsection (a) authorizing the operation of an opt-in aggregation program for residential and small commercial retail customers as described in this Section.

(b) Upon the applicable requisite authority under this Section, the corporate authorities, the township board, or the county board, with assistance from the Illinois Power Agency, shall develop a plan of operation and governance for the

aggregation program so authorized. Before adopting a plan under this Section, the corporate authorities, township board, or county board shall hold at least 2 public hearings on the plan. Before the first hearing, the corporate authorities, township board, or county board shall publish notice of the hearings once a week for 2 consecutive weeks in a newspaper of general circulation in the jurisdiction. The notice shall summarize the plan and state the date, time, and location of each hearing. Any load aggregation plan established pursuant to this Section shall:

(1) provide for universal access to all applicable residential customers and equitable treatment of applicable residential customers;

(2) describe demand management and energy efficiency services to be provided to each class of customers; and

(3) meet any requirements established by law concerning aggregated service offered pursuant to this Section.

(c) The process for soliciting bids for electricity and other related services and awarding proposed agreements for the purchase of electricity and other related services shall be conducted in the following order:

(1) The corporate authorities, township board, or county board may solicit bids for electricity and other related services. The bid specifications may include a provision requiring the bidder to disclose the fuel type

of electricity to be procured or generated on behalf of the aggregation program customers. The corporate authorities, township board, or county board may consider the proposed source of electricity to be procured or generated to be put into the grid on behalf of aggregation program customers in the competitive bidding process. The Agency and Commission may collaborate to issue joint guidance on voluntary uniform standards for bidder disclosures of the source of electricity to be procured or generated to be put into the grid on behalf of aggregation program customers.

(1.5) A township board shall request from the electric utility those residential and small commercial customers within their aggregate area either by zip code or zip codes or other means as determined by the electric utility. The electric utility shall then provide to the township board the residential and small commercial customers, including the names and addresses of residential and small commercial customers, electronically. The township board shall be responsible for authenticating the residential and small commercial customers contained in this listing and providing edits of the data to affirm, add, or delete the residential and small commercial customers located within its jurisdiction. The township board shall provide the edited list to the electric utility in an electronic format or

other means selected by the electric utility and certify that the information is accurate.

(2) Notwithstanding Section 16-122 of the Public Utilities Act and Section 2HH of the Consumer Fraud and Deceptive Business Practices Act, an electric utility that provides residential and small commercial retail electric service in the aggregate area must, upon request of the corporate authorities, township board, or the county board in the aggregate area, submit to the requesting party, in an electronic format, those account numbers, names, and addresses of residential and small commercial retail customers in the aggregate area that are reflected in the electric utility's records at the time of the request; provided, however, that any township board has first provided an accurate customer list to the electric utility as provided for herein.

Any corporate authority, township board, or county board receiving customer information from an electric utility shall be subject to the limitations on the disclosure of the information described in Section 16-122 of the Public Utilities Act and Section 2HH of the Consumer Fraud and Deceptive Business Practices Act, and an electric utility shall not be held liable for any claims arising out of the provision of information pursuant to this item (2).

(d) If the corporate authorities, township board, or county board operate under an opt-in program for residential

and small commercial retail customers, then the corporate authorities, township board, or county board shall comply with all of the following:

(1) Within 60 days after receiving the bids, the corporate authorities, township board, or county board shall allow residential and small commercial retail customers to commit to the terms and conditions of a bid that has been selected by the corporate authorities, township board, or county board.

(2) If (A) the corporate authorities, township board, or county board award proposed agreements for the purchase of electricity and other related services and (B) an agreement is reached between the corporate authorities, township board, or county board for those services, then customers committed to the terms and conditions according to item (1) of this subsection (d) shall be committed to the agreement.

(e) If the corporate authorities, township board, or county board operate as an opt-out program for residential and small commercial retail customers, then it shall be the duty of the aggregated entity to fully inform residential and small commercial retail customers in advance that they have the right to opt out of the aggregation program. The disclosure shall prominently state all charges to be made and shall include full disclosure of the cost to obtain service pursuant to Section 16-103 of the Public Utilities Act, how to access

it, and the fact that it is available to them without penalty, if they are currently receiving service under that Section. The Illinois Power Agency shall furnish, without charge, to any citizen a list of all supply options available to them in a format that allows comparison of prices and products.

(f) Any person or entity retained by a municipality or county, or jointly by more than one such unit of local government, to provide input, guidance, or advice in the selection of an electricity supplier for an aggregation program shall disclose in writing to the involved units of local government the nature of any relationship through which the person or entity may receive, either directly or indirectly, commissions or other remuneration as a result of the selection of any particular electricity supplier. The written disclosure must be made prior to formal approval by the involved units of local government of any professional services agreement with the person or entity, or no later than October 1, 2012 with respect to any such professional services agreement entered into prior to the effective date of this amendatory Act of the 97th General Assembly. The disclosure shall cover all direct and indirect relationships through which commissions or remuneration may result, including the pooling of commissions or remuneration among multiple persons or entities, and shall identify all involved electricity suppliers. The disclosure requirements in this subsection (f) are to be liberally construed to ensure that the nature of

financial interests are fully revealed, and these disclosure requirements shall apply regardless of whether the involved person or entity is licensed under Section 16-115C of the Public Utilities Act. Any person or entity that fails to make the disclosure required under this subsection (f) is liable to the involved units of local government in an amount equal to all compensation paid to such person or entity by the units of local government for the input, guidance, or advice in the selection of an electricity supplier, plus reasonable attorneys fees and court costs incurred by the units of local government in connection with obtaining such amount.

(g) The Illinois Power Agency shall provide assistance to municipalities, townships, counties, or associations working with municipalities to help complete the plan and bidding process.

(h) This Section does not prohibit municipalities or counties from entering into an intergovernmental agreement to aggregate residential and small commercial retail electric loads.

(i) No later than June 1, 2023, the Illinois Power Agency shall produce a report assessing how aggregation of electrical load by municipalities, townships, and counties can be used to help meet the renewable energy goals outlined in this Act. This report shall contain, at a minimum, an assessment of other states' utilization of load aggregation in meeting renewable energy goals, any known or expected barriers in

utilizing load aggregation for meeting renewable energy goals, and recommendations for possible changes in State law necessary for electrical load aggregation to be a driver of new renewable energy project development. This report shall be published on the Agency's website and delivered to the Governor and General Assembly. To assist with developing this report, the Agency may retain the services of its expert consulting firm used to develop its procurement plans as provided in paragraph (1) of subsection (a) of Section 1-75.

(Source: P.A. 97-338, eff. 8-12-11; 97-823, eff. 7-18-12; 97-1067, eff. 8-24-12; 98-404, eff. 1-1-14; 98-434, eff. 1-1-14; 98-463, eff. 8-16-13; 98-756, eff. 7-16-14.)

(20 ILCS 3855/1-125)

Sec. 1-125. Agency annual reports.

(a) By February 15 of each year, the Agency shall report annually to the Governor and the General Assembly on the operations and transactions of the Agency. The annual report shall include, but not be limited to, each of the following:

(1) The average quantity, price, and term of all contracts for electricity procured under the procurement plans for electric utilities.

(2) (Blank).

(3) The quantity, price, and rate impact of all energy efficiency and demand response measures purchased for electric utilities, and any measures included in the

procurement plan pursuant to Section 16-111.5B of the Public Utilities Act.

(4) The amount of power and energy produced by each Agency facility.

(5) The quantity of electricity supplied by each Agency facility to municipal electric systems, governmental aggregators, or rural electric cooperatives in Illinois.

(6) The revenues as allocated by the Agency to each facility.

(7) The costs as allocated by the Agency to each facility.

(8) The accumulated depreciation for each facility.

(9) The status of any projects under development.

(10) Basic financial and operating information specifically detailed for the reporting year and including, but not limited to, income and expense statements, balance sheets, and changes in financial position, all in accordance with generally accepted accounting principles, debt structure, and a summary of funds on a cash basis.

(11) The average quantity, price, contract type and term, and rate impact of all renewable resources procured ~~purchased~~ under the long-term renewable resources ~~electricity~~ procurement plans for electric utilities.

(12) A comparison of the costs associated with the

Agency's procurement of renewable energy resources to (A) the Agency's costs associated with electricity generated by other types of generation facilities and (B) the benefits associated with the Agency's procurement of renewable energy resources.

(13) An analysis of the rate impacts associated with the Illinois Power Agency's procurement of renewable resources, including, but not limited to, any long-term contracts, on the eligible retail customers of electric utilities. The analysis shall include the Agency's estimate of the total dollar impact that the Agency's procurement of renewable resources has had on the annual electricity bills of the customer classes that comprise each eligible retail customer class taking service from an electric utility.

(14) (Blank). ~~An analysis of how the operation of the alternative compliance payment mechanism, any long term contracts, or other aspects of the applicable renewable portfolio standards impacts the rates of customers of alternative retail electric suppliers.~~

(b) In addition to reporting on the transactions and operations of the Agency, the Agency shall also endeavor to report on the following items through its annual report, recognizing that full and accurate information may not be available for certain items:

(1) The overall nameplate capacity amount of installed

and scheduled renewable energy generation capacity physically located in Illinois.

(2) The percentage of installed and scheduled renewable energy generation capacity as a share of overall electricity generation capacity physically located in Illinois.

(3) The amount of megawatt hours produced by renewable energy generation capacity physically located in Illinois for the preceding delivery year.

(4) The percentage of megawatt hours produced by renewable energy generation capacity physically located in Illinois as a share of overall electricity generation from facilities physically located in Illinois for the preceding delivery year.

(5) The renewable portfolio standard expenditures made pursuant to paragraph (1) of subsection (c) of Section 1-75 and the total scheduled and installed renewable generation capacity expected to result from these investments. This information shall include the total cost of REC delivery contracts of the renewable portfolio standard by project category, including, but not limited to, renewable energy credits delivery contracts entered into pursuant to subparagraphs (C), (G), (K), and (R) of paragraph (1) of subsection (c) Section 1-75. The Agency shall also report on the total amount of customer load featuring renewable portfolio standard compliance

obligations scheduled to be met by self-direct customers pursuant to subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75, as well as the minimum annual quantities of renewable energy credits scheduled to be retired by those customers and amount of installed renewable energy generating capacity used to meet the requirements of subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75.

The Agency may seek assistance from the Illinois Commerce Commission in developing its annual report and may also retain the services of its expert consulting firm used to develop its procurement plans as outlined in paragraph (1) of subsection (a) of Section 1-75. Confidential or commercially sensitive business information provided by retail customers, alternative retail electric suppliers, or other parties shall be kept confidential by the Agency consistent with Section 1-120, but may be publicly reported in aggregate form.

(Source: P.A. 99-536, eff. 7-8-16.)

(20 ILCS 3855/1-128 new)

Sec. 1-128. Nonprofit Electric Generation Task Force.

(a) By January 1, 2028, the Nonprofit Electric Generation Task Force shall be established to assess the technological, economic, and regulatory feasibility as well as legislative support mechanisms necessary to achieve the carbon emission reduction targets described in Section 9.15 of the

Environmental Protection Act through the use of carbon capture, sequestration, and utilization technology.

(b) The Task Force shall consist of the following members:

(1) one representative of the Prairie Research Institute at the University of Illinois, appointed by the Governor with the advice and consent of the Senate;

(2) one representative of an association representing municipal utilities, joint municipal electric power agencies, or municipal electric generators with an ownership interest in Prairie State Generating Company, appointed by the Governor with the advice and consent of the Senate;

(3) one representative of an association of electric cooperatives with ownership interests in Prairie State Generating Company, appointed by the Governor with the advice and consent of the Senate;

(4) one representative of a labor union or building trade with technical experience at a coal generation facility, appointed by the Governor with the advice and consent of the Senate;

(5) the Director of Natural Resources, or his or her designee;

(6) the Governor, or his or her designee;

(7) one expert in power sector reliability, appointed by the Governor with the advice and consent of the Senate;

(8) one expert in financing large scale power sector

carbon reduction projects, appointed by the Governor with the advice and consent of the Senate;

(9) one designee of the President of the Senate;

(10) one designee of the Speaker of the House;

(11) one designee of the Senate Minority Leader; and

(12) one designee of the House Minority Leader.

(c) The Task Force shall have the following duties:

(1) investigating the technical and financial options to install carbon capture, sequestration, utilization, and direct air capture at the Prairie State Generation Campus;

(2) assessing the existing regulatory construct and any legislative support mechanisms necessary to reduce carbon at the Prairie State Generating Company in accordance with Section 9.15 of the Environmental Protection Act; and

(3) preparing and filing a report with the Governor and the General Assembly that sets forth the Task Force's findings.

(d) The Task Force may hire an independent third-party auditor with relevant financial expertise to conduct a financial audit of the Prairie State Generating Company, including an examination of potential financial solutions to alleviate the existing indirect debt obligations facing the joint indirect Prairie State Generating Company owners in Illinois. The audit shall include a review of the existing debt structure for the Prairie State Generating Company and

the individual finances of each joint direct company owner in Illinois in order to recommend an appropriate and equitable method for allocating any funds, whether from the State or federal government, or any other legal source, that may be provided to support the joint indirect owners in Illinois. Any commercially sensitive information reviewed pursuant to this audit shall be reasonably redacted from the Task Force's final report and shall not be subject to disclosure under the Freedom of Information Act.

Section 90-35. The State Finance Act is amended by adding Sections 5.935, 5.936, and 5.937 as follows:

(30 ILCS 105/5.935 new)

Sec. 5.935. The Coal to Solar and Energy Storage Initiative Fund.

(30 ILCS 105/5.936 new)

Sec. 5.936. The Energy Transition Assistance Fund.

(30 ILCS 105/5.937 new)

Sec. 5.937. The Consumer Intervenor Compensation Fund.

Section 90-36. The Illinois Procurement Code is amended by changing Section 1-10 as follows:

(30 ILCS 500/1-10)

Sec. 1-10. Application.

(a) This Code applies only to procurements for which bidders, offerors, potential contractors, or contractors were first solicited on or after July 1, 1998. This Code shall not be construed to affect or impair any contract, or any provision of a contract, entered into based on a solicitation prior to the implementation date of this Code as described in Article 99, including, but not limited to, any covenant entered into with respect to any revenue bonds or similar instruments. All procurements for which contracts are solicited between the effective date of Articles 50 and 99 and July 1, 1998 shall be substantially in accordance with this Code and its intent.

(b) This Code shall apply regardless of the source of the funds with which the contracts are paid, including federal assistance moneys. This Code shall not apply to:

(1) Contracts between the State and its political subdivisions or other governments, or between State governmental bodies, except as specifically provided in this Code.

(2) Grants, except for the filing requirements of Section 20-80.

(3) Purchase of care, except as provided in Section 5-30.6 of the Illinois Public Aid Code and this Section.

(4) Hiring of an individual as employee and not as an

independent contractor, whether pursuant to an employment code or policy or by contract directly with that individual.

(5) Collective bargaining contracts.

(6) Purchase of real estate, except that notice of this type of contract with a value of more than $25,000 must be published in the Procurement Bulletin within 10 calendar days after the deed is recorded in the county of jurisdiction. The notice shall identify the real estate purchased, the names of all parties to the contract, the value of the contract, and the effective date of the contract.

(7) Contracts necessary to prepare for anticipated litigation, enforcement actions, or investigations, provided that the chief legal counsel to the Governor shall give his or her prior approval when the procuring agency is one subject to the jurisdiction of the Governor, and provided that the chief legal counsel of any other procuring entity subject to this Code shall give his or her prior approval when the procuring entity is not one subject to the jurisdiction of the Governor.

(8) (Blank).

(9) Procurement expenditures by the Illinois Conservation Foundation when only private funds are used.

(10) (Blank).

(11) Public-private agreements entered into according

to the procurement requirements of Section 20 of the Public-Private Partnerships for Transportation Act and design-build agreements entered into according to the procurement requirements of Section 25 of the Public-Private Partnerships for Transportation Act.

(12) Contracts for legal, financial, and other professional and artistic services entered into on or before December 31, 2018 by the Illinois Finance Authority in which the State of Illinois is not obligated. Such contracts shall be awarded through a competitive process authorized by the Board of the Illinois Finance Authority and are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code, as well as the final approval by the Board of the Illinois Finance Authority of the terms of the contract.

(13) Contracts for services, commodities, and equipment to support the delivery of timely forensic science services in consultation with and subject to the approval of the Chief Procurement Officer as provided in subsection (d) of Section 5-4-3a of the Unified Code of Corrections, except for the requirements of Sections 20-60, 20-65, 20-70, and 20-160 and Article 50 of this Code; however, the Chief Procurement Officer may, in writing with justification, waive any certification required under Article 50 of this Code. For any contracts for services which are currently provided by members of a

collective bargaining agreement, the applicable terms of the collective bargaining agreement concerning subcontracting shall be followed.

On and after January 1, 2019, this paragraph (13), except for this sentence, is inoperative.

(14) Contracts for participation expenditures required by a domestic or international trade show or exhibition of an exhibitor, member, or sponsor.

(15) Contracts with a railroad or utility that requires the State to reimburse the railroad or utilities for the relocation of utilities for construction or other public purpose. Contracts included within this paragraph (15) shall include, but not be limited to, those associated with: relocations, crossings, installations, and maintenance. For the purposes of this paragraph (15), "railroad" means any form of non-highway ground transportation that runs on rails or electromagnetic guideways and "utility" means: (1) public utilities as defined in Section 3-105 of the Public Utilities Act, (2) telecommunications carriers as defined in Section 13-202 of the Public Utilities Act, (3) electric cooperatives as defined in Section 3.4 of the Electric Supplier Act, (4) telephone or telecommunications cooperatives as defined in Section 13-212 of the Public Utilities Act, (5) rural water or waste water systems with 10,000 connections or less, (6) a holder as defined in Section 21-201 of the

Public Utilities Act, and (7) municipalities owning or operating utility systems consisting of public utilities as that term is defined in Section 11-117-2 of the Illinois Municipal Code.

(16) Procurement expenditures necessary for the Department of Public Health to provide the delivery of timely newborn screening services in accordance with the Newborn Metabolic Screening Act.

(17) Procurement expenditures necessary for the Department of Agriculture, the Department of Financial and Professional Regulation, the Department of Human Services, and the Department of Public Health to implement the Compassionate Use of Medical Cannabis Program and Opioid Alternative Pilot Program requirements and ensure access to medical cannabis for patients with debilitating medical conditions in accordance with the Compassionate Use of Medical Cannabis Program Act.

(18) This Code does not apply to any procurements necessary for the Department of Agriculture, the Department of Financial and Professional Regulation, the Department of Human Services, the Department of Commerce and Economic Opportunity, and the Department of Public Health to implement the Cannabis Regulation and Tax Act if the applicable agency has made a good faith determination that it is necessary and appropriate for the expenditure to fall within this exemption and if the process is

conducted in a manner substantially in accordance with the requirements of Sections 20-160, 25-60, 30-22, 50-5, 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35, 50-36, 50-37, 50-38, and 50-50 of this Code; however, for Section 50-35, compliance applies only to contracts or subcontracts over $100,000. Notice of each contract entered into under this paragraph (18) that is related to the procurement of goods and services identified in paragraph (1) through (9) of this subsection shall be published in the Procurement Bulletin within 14 calendar days after contract execution. The Chief Procurement Officer shall prescribe the form and content of the notice. Each agency shall provide the Chief Procurement Officer, on a monthly basis, in the form and content prescribed by the Chief Procurement Officer, a report of contracts that are related to the procurement of goods and services identified in this subsection. At a minimum, this report shall include the name of the contractor, a description of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to this Code utilized. A copy of any or all of these contracts shall be made available to the Chief Procurement Officer immediately upon request. The Chief Procurement Officer shall submit a report to the Governor and General Assembly no later than November 1 of each year that includes, at a minimum, an annual summary of the

monthly information reported to the Chief Procurement Officer. This exemption becomes inoperative 5 years after June 25, 2019 (the effective date of Public Act 101-27) ~~this amendatory Act of the 101st General Assembly~~.

(19) Procurement expenditures necessary for the Illinois Commerce Commission to hire third-party facilitators pursuant to Sections 16-105.17 and Section 16-108.18 of the Public Utilities Act or an ombudsman pursuant to Section 16-107.5 of the Public Utilities Act, a facilitator pursuant to Section 16-105.17 of the Public Utilities Act, or a grid auditor pursuant to Section 16-105.10 of the Public Utilities Act.

Notwithstanding any other provision of law, for contracts entered into on or after October 1, 2017 under an exemption provided in any paragraph of this subsection (b), except paragraph (1), (2), or (5), each State agency shall post to the appropriate procurement bulletin the name of the contractor, a description of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to the Code utilized. The chief procurement officer shall submit a report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, an annual summary of the monthly information reported to the chief procurement officer.

(c) This Code does not apply to the electric power procurement process provided for under Section 1-75 of the

Illinois Power Agency Act and Section 16-111.5 of the Public Utilities Act.

(d) Except for Section 20-160 and Article 50 of this Code, and as expressly required by Section 9.1 of the Illinois Lottery Law, the provisions of this Code do not apply to the procurement process provided for under Section 9.1 of the Illinois Lottery Law.

(e) This Code does not apply to the process used by the Capital Development Board to retain a person or entity to assist the Capital Development Board with its duties related to the determination of costs of a clean coal SNG brownfield facility, as defined by Section 1-10 of the Illinois Power Agency Act, as required in subsection (h-3) of Section 9-220 of the Public Utilities Act, including calculating the range of capital costs, the range of operating and maintenance costs, or the sequestration costs or monitoring the construction of clean coal SNG brownfield facility for the full duration of construction.

(f) (Blank).

(g) (Blank).

(h) This Code does not apply to the process to procure or contracts entered into in accordance with Sections 11-5.2 and 11-5.3 of the Illinois Public Aid Code.

(i) Each chief procurement officer may access records necessary to review whether a contract, purchase, or other expenditure is or is not subject to the provisions of this

Code, unless such records would be subject to attorney-client privilege.

(j) This Code does not apply to the process used by the Capital Development Board to retain an artist or work or works of art as required in Section 14 of the Capital Development Board Act.

(k) This Code does not apply to the process to procure contracts, or contracts entered into, by the State Board of Elections or the State Electoral Board for hearing officers appointed pursuant to the Election Code.

(l) This Code does not apply to the processes used by the Illinois Student Assistance Commission to procure supplies and services paid for from the private funds of the Illinois Prepaid Tuition Fund. As used in this subsection (l), "private funds" means funds derived from deposits paid into the Illinois Prepaid Tuition Trust Fund and the earnings thereon. (Source: P.A. 100-43, eff. 8-9-17; 100-580, eff. 3-12-18; 100-757, eff. 8-10-18; 100-1114, eff. 8-28-18; 101-27, eff. 6-25-19; 101-81, eff. 7-12-19; 101-363, eff. 8-9-19; revised 9-17-19.)

Section 90-36a. The Business Enterprise for Minorities, Women, and Persons with Disabilities Act is amended by changing Sections 4f and 7 as follows:

(30 ILCS 575/4f)

(Text of Section before amendment by P.A. 101-657, Article 40, Section 40-130)

(Section scheduled to be repealed on June 30, 2024)

Sec. 4f. Award of State contracts.

(1) It is hereby declared to be the public policy of the State of Illinois to promote and encourage each State agency and public institution of higher education to use businesses owned by minorities, women, and persons with disabilities in the area of goods and services, including, but not limited to, insurance services, investment management services, information technology services, accounting services, architectural and engineering services, and legal services. Furthermore, each State agency and public institution of higher education shall utilize such firms to the greatest extent feasible within the bounds of financial and fiduciary prudence, and take affirmative steps to remove any barriers to the full participation of such firms in the procurement and contracting opportunities afforded.

(a) When a State agency or public institution of higher education, other than a community college, awards a contract for insurance services, for each State agency or public institution of higher education, it shall be the aspirational goal to use insurance brokers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total annual premiums or fees; provided that, contracts

representing at least 11% of the total annual premiums or fees shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total annual premiums or fees shall be awarded to women-owned businesses; and contracts representing at least 2% of the total annual premiums or fees shall be awarded to businesses owned by persons with disabilities.

(b) When a State agency or public institution of higher education, other than a community college, awards a contract for investment services, for each State agency or public institution of higher education, it shall be the aspirational goal to use emerging investment managers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total funds under management; provided that, contracts representing at least 11% of the total funds under management shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total funds under management shall be awarded to women-owned businesses; and contracts representing at least 2% of the total funds under management shall be awarded to businesses owned by persons with disabilities. Furthermore, it is the aspirational goal that not less than 20% of the direct asset managers of the State funds be minorities, women, and persons with disabilities.

(c) When a State agency or public institution of

higher education, other than a community college, awards contracts for information technology services, accounting services, architectural and engineering services, and legal services, for each State agency and public institution of higher education, it shall be the aspirational goal to use such firms owned by minorities, women, and persons with disabilities as defined by this Act and lawyers who are minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total dollar amount of State contracts; provided that, contracts representing at least 11% of the total dollar amount of State contracts shall be awarded to businesses owned by minorities or minority lawyers; contracts representing at least 7% of the total dollar amount of State contracts shall be awarded to women-owned businesses or women who are lawyers; and contracts representing at least 2% of the total dollar amount of State contracts shall be awarded to businesses owned by persons with disabilities or persons with disabilities who are lawyers.

(d) When a community college awards a contract for insurance services, investment services, information technology services, accounting services, architectural and engineering services, and legal services, it shall be the aspirational goal of each community college to use businesses owned by minorities, women, and persons with

disabilities as defined in this Act for not less than 20% of the total amount spent on contracts for these services collectively; provided that, contracts representing at least 11% of the total amount spent on contracts for these services shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total amount spent on contracts for these services shall be awarded to women-owned businesses; and contracts representing at least 2% of the total amount spent on contracts for these services shall be awarded to businesses owned by persons with disabilities. When a community college awards contracts for investment services, contracts awarded to investment managers who are not emerging investment managers as defined in this Act shall not be considered businesses owned by minorities, women, or persons with disabilities for the purposes of this Section.

(e) When a State agency or public institution of higher education issues competitive solicitations and the award history for a service or supply category shows awards to a class of business owners that are underrepresented, the Council shall determine the reason for the disparity and shall identify potential and appropriate methods to minimize or eliminate the cause for the disparity.

If any State agency or public institution of higher

education contract is eligible to be paid for or reimbursed, in whole or in part, with federal-aid funds, grants, or loans, and the provisions of this paragraph (e) would result in the loss of those federal-aid funds, grants, or loans, then the contract is exempt from the provisions of this paragraph (e) in order to remain eligible for those federal-aid funds, grants, or loans.

(2) As used in this Section:

"Accounting services" means the measurement, processing and communication of financial information about economic entities including, but is not limited to, financial accounting, management accounting, auditing, cost containment and auditing services, taxation and accounting information systems.

"Architectural and engineering services" means professional services of an architectural or engineering nature, or incidental services, that members of the architectural and engineering professions, and individuals in their employ, may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services.

"Emerging investment manager" means an investment manager or claims consultant having assets under management below $10 billion or otherwise adjudicating claims.

"Information technology services" means, but is not limited to, specialized technology-oriented solutions by combining the processes and functions of software, hardware, networks, telecommunications, web designers, cloud developing resellers, and electronics.

"Insurance broker" means an insurance brokerage firm, claims administrator, or both, that procures, places all lines of insurance, or administers claims with annual premiums or fees of at least $5,000,000 but not more than $10,000,000.

"Legal services" means work performed by a lawyer including, but not limited to, contracts in anticipation of litigation, enforcement actions, or investigations.

(3) Each State agency and public institution of higher education shall adopt policies that identify its plan and implementation procedures for increasing the use of service firms owned by minorities, women, and persons with disabilities.

(4) Except as provided in subsection (5), the Council shall file no later than March 1 of each year an annual report to the Governor, the Bureau on Apprenticeship Programs and Clean Energy Jobs, and the General Assembly. The report filed

with the General Assembly shall be filed as required in Section 3.1 of the General Assembly Organization Act. This report shall: (i) identify the service firms used by each State agency and public institution of higher education, (ii) identify the actions it has undertaken to increase the use of service firms owned by minorities, women, and persons with disabilities, including encouraging non-minority-owned firms to use other service firms owned by minorities, women, and persons with disabilities as subcontractors when the opportunities arise, (iii) state any recommendations made by the Council to each State agency and public institution of higher education to increase participation by the use of service firms owned by minorities, women, and persons with disabilities, and (iv) include the following:

(A) For insurance services: the names of the insurance brokers or claims consultants used, the total of risk managed by each State agency and public institution of higher education by insurance brokers, the total commissions, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed; and the percentage of the risk managed by insurance brokers, the percentage of total commission, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed with each by the insurance brokers owned by minorities, women, and persons with disabilities by each State agency and public institution of higher

education.

(B) For investment management services: the names of the investment managers used, the total funds under management of investment managers; the total commissions, fees paid, or both; the total and percentage of funds under management of emerging investment managers owned by minorities, women, and persons with disabilities, including the total and percentage of total commissions, fees paid, or both by each State agency and public institution of higher education.

(C) The names of service firms, the percentage and total dollar amount paid for professional services by category by each State agency and public institution of higher education.

(D) The names of service firms, the percentage and total dollar amount paid for services by category to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(E) The total number of contracts awarded for services by category and the total number of contracts awarded to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(5) For community college districts, the Business Enterprise Council shall only report the following information

for each community college district: (i) the name of the community colleges in the district, (ii) the name and contact information of a person at each community college appointed to be the single point of contact for vendors owned by minorities, women, or persons with disabilities, (iii) the policy of the community college district concerning certified vendors, (iv) the certifications recognized by the community college district for determining whether a business is owned or controlled by a minority, woman, or person with a disability, (v) outreach efforts conducted by the community college district to increase the use of certified vendors, (vi) the total expenditures by the community college district in the prior fiscal year in the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the amount paid to certified vendors in those divisions of work, and (vii) the total number of contracts entered into for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the total number of contracts awarded to certified vendors providing these services to the community college district. The Business Enterprise Council shall not make any utilization reports under this Act for community college districts for Fiscal Year 2015 and Fiscal Year 2016, but shall make the report required by this subsection for Fiscal Year 2017 and for each fiscal year thereafter. The Business Enterprise Council shall report the information in items (i), (ii), (iii), and (iv) of this

subsection beginning in September of 2016. The Business Enterprise Council may collect the data needed to make its report from the Illinois Community College Board.

(6) The status of the utilization of services shall be discussed at each of the regularly scheduled Business Enterprise Council meetings. Time shall be allotted for the Council to receive, review, and discuss the progress of the use of service firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education; and any evidence regarding past or present racial, ethnic, or gender-based discrimination which directly impacts a State agency or public institution of higher education contracting with such firms. If after reviewing such evidence the Council finds that there is or has been such discrimination against a specific group, race or sex, the Council shall establish sheltered markets or adjust existing sheltered markets tailored to address the Council's specific findings for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section.

(Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20; 101-657, Article 5, Section 5-10, eff. 7-1-21 (See Section 25 of P.A. 102-29 for effective date of P.A. 101-657, Article 5, Section 5-10); 102-29, eff. 6-25-21.)

(Text of Section after amendment by P.A. 101-657, Article

40, Section 40-130)

(Section scheduled to be repealed on June 30, 2024)

Sec. 4f. Award of State contracts.

(1) It is hereby declared to be the public policy of the State of Illinois to promote and encourage each State agency and public institution of higher education to use businesses owned by minorities, women, and persons with disabilities in the area of goods and services, including, but not limited to, insurance services, investment management services, information technology services, accounting services, architectural and engineering services, and legal services. Furthermore, each State agency and public institution of higher education shall utilize such firms to the greatest extent feasible within the bounds of financial and fiduciary prudence, and take affirmative steps to remove any barriers to the full participation of such firms in the procurement and contracting opportunities afforded.

(a) When a State agency or public institution of higher education, other than a community college, awards a contract for insurance services, for each State agency or public institution of higher education, it shall be the aspirational goal to use insurance brokers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total annual premiums or fees; provided that, contracts representing at least 11% of the total annual premiums or

fees shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total annual premiums or fees shall be awarded to women-owned businesses; and contracts representing at least 2% of the total annual premiums or fees shall be awarded to businesses owned by persons with disabilities.

(b) When a State agency or public institution of higher education, other than a community college, awards a contract for investment services, for each State agency or public institution of higher education, it shall be the aspirational goal to use emerging investment managers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total funds under management; provided that, contracts representing at least 11% of the total funds under management shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total funds under management shall be awarded to women-owned businesses; and contracts representing at least 2% of the total funds under management shall be awarded to businesses owned by persons with disabilities. Furthermore, it is the aspirational goal that not less than 20% of the direct asset managers of the State funds be minorities, women, and persons with disabilities.

(c) When a State agency or public institution of higher education, other than a community college, awards

contracts for information technology services, accounting services, architectural and engineering services, and legal services, for each State agency and public institution of higher education, it shall be the aspirational goal to use such firms owned by minorities, women, and persons with disabilities as defined by this Act and lawyers who are minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total dollar amount of State contracts; provided that, contracts representing at least 11% of the total dollar amount of State contracts shall be awarded to businesses owned by minorities or minority lawyers; contracts representing at least 7% of the total dollar amount of State contracts shall be awarded to women-owned businesses or women who are lawyers; and contracts representing at least 2% of the total dollar amount of State contracts shall be awarded to businesses owned by persons with disabilities or persons with disabilities who are lawyers.

(d) When a community college awards a contract for insurance services, investment services, information technology services, accounting services, architectural and engineering services, and legal services, it shall be the aspirational goal of each community college to use businesses owned by minorities, women, and persons with disabilities as defined in this Act for not less than 20%

of the total amount spent on contracts for these services collectively; provided that, contracts representing at least 11% of the total amount spent on contracts for these services shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total amount spent on contracts for these services shall be awarded to women-owned businesses; and contracts representing at least 2% of the total amount spent on contracts for these services shall be awarded to businesses owned by persons with disabilities. When a community college awards contracts for investment services, contracts awarded to investment managers who are not emerging investment managers as defined in this Act shall not be considered businesses owned by minorities, women, or persons with disabilities for the purposes of this Section.

(2) As used in this Section:

"Accounting services" means the measurement, processing and communication of financial information about economic entities including, but is not limited to, financial accounting, management accounting, auditing, cost containment and auditing services, taxation and accounting information systems.

"Architectural and engineering services" means professional services of an architectural or engineering nature, or incidental services, that members of the

architectural and engineering professions, and individuals in their employ, may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services.

"Emerging investment manager" means an investment manager or claims consultant having assets under management below $10 billion or otherwise adjudicating claims.

"Information technology services" means, but is not limited to, specialized technology-oriented solutions by combining the processes and functions of software, hardware, networks, telecommunications, web designers, cloud developing resellers, and electronics.

"Insurance broker" means an insurance brokerage firm, claims administrator, or both, that procures, places all lines of insurance, or administers claims with annual premiums or fees of at least $5,000,000 but not more than $10,000,000.

"Legal services" means work performed by a lawyer including, but not limited to, contracts in anticipation of litigation, enforcement actions, or investigations.

(3) Each State agency and public institution of higher education shall adopt policies that identify its plan and implementation procedures for increasing the use of service firms owned by minorities, women, and persons with disabilities. All plan and implementation procedures for increasing the use of service firms owned by minorities, women, and persons with disabilities must be submitted to and approved by the Commission on Equity and Inclusion on an annual basis.

(4) Except as provided in subsection (5), the Council shall file no later than March 1 of each year an annual report to the Governor, the Bureau on Apprenticeship Programs and Clean Energy Jobs, and the General Assembly. The report filed with the General Assembly shall be filed as required in Section 3.1 of the General Assembly Organization Act. This report shall: (i) identify the service firms used by each State agency and public institution of higher education, (ii) identify the actions it has undertaken to increase the use of service firms owned by minorities, women, and persons with disabilities, including encouraging non-minority-owned firms to use other service firms owned by minorities, women, and persons with disabilities as subcontractors when the opportunities arise, (iii) state any recommendations made by the Council to each State agency and public institution of higher education to increase participation by the use of service firms owned by minorities, women, and persons with

disabilities, and (iv) include the following:

(A) For insurance services: the names of the insurance brokers or claims consultants used, the total of risk managed by each State agency and public institution of higher education by insurance brokers, the total commissions, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed; and the percentage of the risk managed by insurance brokers, the percentage of total commission, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed with each by the insurance brokers owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(B) For investment management services: the names of the investment managers used, the total funds under management of investment managers; the total commissions, fees paid, or both; the total and percentage of funds under management of emerging investment managers owned by minorities, women, and persons with disabilities, including the total and percentage of total commissions, fees paid, or both by each State agency and public institution of higher education.

(C) The names of service firms, the percentage and total dollar amount paid for professional services by category by each State agency and public institution of

higher education.

(D) The names of service firms, the percentage and total dollar amount paid for services by category to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(E) The total number of contracts awarded for services by category and the total number of contracts awarded to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(5) For community college districts, the Business Enterprise Council shall only report the following information for each community college district: (i) the name of the community colleges in the district, (ii) the name and contact information of a person at each community college appointed to be the single point of contact for vendors owned by minorities, women, or persons with disabilities, (iii) the policy of the community college district concerning certified vendors, (iv) the certifications recognized by the community college district for determining whether a business is owned or controlled by a minority, woman, or person with a disability, (v) outreach efforts conducted by the community college district to increase the use of certified vendors, (vi) the total expenditures by the community college district in the prior fiscal year in the divisions of work specified in

paragraphs (a), (b), and (c) of subsection (1) of this Section and the amount paid to certified vendors in those divisions of work, and (vii) the total number of contracts entered into for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the total number of contracts awarded to certified vendors providing these services to the community college district. The Business Enterprise Council shall not make any utilization reports under this Act for community college districts for Fiscal Year 2015 and Fiscal Year 2016, but shall make the report required by this subsection for Fiscal Year 2017 and for each fiscal year thereafter. The Business Enterprise Council shall report the information in items (i), (ii), (iii), and (iv) of this subsection beginning in September of 2016. The Business Enterprise Council may collect the data needed to make its report from the Illinois Community College Board.

(6) The status of the utilization of services shall be discussed at each of the regularly scheduled Business Enterprise Council meetings. Time shall be allotted for the Council to receive, review, and discuss the progress of the use of service firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education; and any evidence regarding past or present racial, ethnic, or gender-based discrimination which directly impacts a State agency or public institution of higher education contracting with such firms. If after

reviewing such evidence the Council finds that there is or has been such discrimination against a specific group, race or sex, the Council shall establish sheltered markets or adjust existing sheltered markets tailored to address the Council's specific findings for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section.

(Source: P.A. 101-170, eff. 1-1-20; 101-657, Article 5, Section 5-10, eff. 7-1-21 (See Section 25 of P.A. 102-29 for effective date of P.A. 101-657, Article 5, Section 5-10); 101-657, Article 40, Section 40-130, eff. 1-1-22; 102-29, eff. 6-25-21.)

(30 ILCS 575/7) (from Ch. 127, par. 132.607)

(Text of Section before amendment by P.A. 101-657)

(Section scheduled to be repealed on June 30, 2024)

Sec. 7. Exemptions; waivers; publication of data.

(1) Individual contract exemptions. The Council, at the written request of the affected agency, public institution of higher education, or recipient of a grant or loan of State funds of $250,000 or more complying with Section 45 of the State Finance Act, may permit an individual contract or contract package, (related contracts being bid or awarded simultaneously for the same project or improvements) be made wholly or partially exempt from State contracting goals for businesses owned by minorities, women, and persons with

disabilities prior to the advertisement for bids or solicitation of proposals whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of businesses owned by minorities, women, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals solicited for the individual contract or contract package in question. Any such exemptions shall be given by the Council to the Bureau on Apprenticeship Programs and Clean Energy Jobs.

(a) Written request for contract exemption. A written request for an individual contract exemption must include, but is not limited to, the following:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities;

(ii) a clear demonstration that the number of eligible businesses identified in subparagraph (i) above is insufficient to ensure adequate competition;

(iii) the difference in cost between the contract proposals being offered by businesses owned by minorities, women, and persons with disabilities and the agency or public institution of higher education's expectations of reasonable prices on bids or proposals within that class; and

(iv) a list of eligible businesses owned by

minorities, women, and persons with disabilities that the contractor has used in the current and prior fiscal years.

(b) Determination. The Council's determination concerning an individual contract exemption must consider, at a minimum, the following:

(i) the justification for the requested exemption, including whether diligent efforts were undertaken to identify and solicit eligible businesses owned by minorities, women, and persons with disabilities;

(ii) the total number of exemptions granted to the affected agency, public institution of higher education, or recipient of a grant or loan of State funds of $250,000 or more complying with Section 45 of the State Finance Act that have been granted by the Council in the current and prior fiscal years; and

(iii) the percentage of contracts awarded by the agency or public institution of higher education to eligible businesses owned by minorities, women, and persons with disabilities in the current and prior fiscal years.

(2) Class exemptions.

(a) Creation. The Council, at the written request of the affected agency or public institution of higher education, may permit an entire class of contracts be made exempt from State contracting goals for businesses owned

by minorities, women, and persons with disabilities whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of qualified businesses owned by minorities, women, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals within that class. Any such exemption shall be given by the Council to the Bureau on Apprenticeship Programs and Clean Energy Jobs.

(a-1) Written request for class exemption. A written request for a class exemption must include, but is not limited to, the following:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities;

(ii) a clear demonstration that the number of eligible businesses identified in subparagraph (i) above is insufficient to ensure adequate competition;

(iii) the difference in cost between the contract proposals being offered by eligible businesses owned by minorities, women, and persons with disabilities and the agency or public institution of higher education's expectations of reasonable prices on bids or proposals within that class; and

(iv) the number of class exemptions the affected agency or public institution of higher education

requested in the current and prior fiscal years.

(a-2) Determination. The Council's determination concerning class exemptions must consider, at a minimum, the following:

(i) the justification for the requested exemption, including whether diligent efforts were undertaken to identify and solicit eligible businesses owned by minorities, women, and persons with disabilities;

(ii) the total number of class exemptions granted to the requesting agency or public institution of higher education that have been granted by the Council in the current and prior fiscal years; and

(iii) the percentage of contracts awarded by the agency or public institution of higher education to eligible businesses owned by minorities, women, and persons with disabilities the current and prior fiscal years.

(b) Limitation. Any such class exemption shall not be permitted for a period of more than one year at a time.

(3) Waivers. Where a particular contract requires a contractor to meet a goal established pursuant to this Act, the contractor shall have the right to request a waiver from such requirements. The Council shall grant the waiver where the contractor demonstrates that there has been made a good faith effort to comply with the goals for participation by businesses owned by minorities, women, and persons with

disabilities. Any such waiver shall also be transmitted in writing to the Bureau on Apprenticeship Programs and Clean Energy Jobs.

(a) Request for waiver. A contractor's request for a waiver under this subsection (3) must include, but is not limited to, the following, if available:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities that pertain to the class of contracts in the requested waiver;

(ii) a clear demonstration that the number of eligible businesses identified in subparagraph (i) above is insufficient to ensure competition;

(iii) the difference in cost between the contract proposals being offered by businesses owned by minorities, women, and persons with disabilities and the agency or the public institution of higher education's expectations of reasonable prices on bids or proposals within that class; and

(iv) a list of businesses owned by minorities, women, and persons with disabilities that the contractor has used in the current and prior fiscal years.

(b) Determination. The Council's determination concerning waivers must include following:

(i) the justification for the requested waiver,

including whether the requesting contractor made a good faith effort to identify and solicit eligible businesses owned by minorities, women, and persons with disabilities;

(ii) the total number of waivers the contractor has been granted by the Council in the current and prior fiscal years;

(iii) the percentage of contracts awarded by the agency or public institution of higher education to eligible businesses owned by minorities, women, and persons with disabilities in the current and prior fiscal years; and

(iv) the contractor's use of businesses owned by minorities, women, and persons with disabilities in the current and prior fiscal years.

(3.5) (Blank).

(4) Conflict with other laws. In the event that any State contract, which otherwise would be subject to the provisions of this Act, is or becomes subject to federal laws or regulations which conflict with the provisions of this Act or actions of the State taken pursuant hereto, the provisions of the federal laws or regulations shall apply and the contract shall be interpreted and enforced accordingly.

(5) Each chief procurement officer, as defined in the Illinois Procurement Code, shall maintain on his or her official Internet website a database of the following: (i)

waivers granted under this Section with respect to contracts under his or her jurisdiction; (ii) a State agency or public institution of higher education's written request for an exemption of an individual contract or an entire class of contracts; and (iii) the Council's written determination granting or denying a request for an exemption of an individual contract or an entire class of contracts. The database, which shall be updated periodically as necessary, shall be searchable by contractor name and by contracting State agency.

(6) Each chief procurement officer, as defined by the Illinois Procurement Code, shall maintain on its website a list of all firms that have been prohibited from bidding, offering, or entering into a contract with the State of Illinois as a result of violations of this Act.

Each public notice required by law of the award of a State contract shall include for each bid or offer submitted for that contract the following: (i) the bidder's or offeror's name, (ii) the bid amount, (iii) the name or names of the certified firms identified in the bidder's or offeror's submitted utilization plan, and (iv) the bid's amount and percentage of the contract awarded to businesses owned by minorities, women, and persons with disabilities identified in the utilization plan.

(Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20; 101-601, eff. 1-1-20; 102-29, eff. 6-25-21.)

(Text of Section after amendment by P.A. 101-657)

(Section scheduled to be repealed on June 30, 2024)

Sec. 7. Exemptions; waivers; publication of data.

(1) Individual contract exemptions. The Council, at the written request of the affected agency, public institution of higher education, or recipient of a grant or loan of State funds of $250,000 or more complying with Section 45 of the State Finance Act, may permit an individual contract or contract package, (related contracts being bid or awarded simultaneously for the same project or improvements) be made wholly or partially exempt from State contracting goals for businesses owned by minorities, women, and persons with disabilities prior to the advertisement for bids or solicitation of proposals whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of businesses owned by minorities, women, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals solicited for the individual contract or contract package in question. Any such exemptions shall be given by the Council to the Bureau on Apprenticeship Programs and Clean Energy Jobs.

(a) Written request for contract exemption. A written request for an individual contract exemption must include,

but is not limited to, the following:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities;

(ii) a clear demonstration that the number of eligible businesses identified in subparagraph (i) above is insufficient to ensure adequate competition;

(iii) the difference in cost between the contract proposals being offered by businesses owned by minorities, women, and persons with disabilities and the agency or public institution of higher education's expectations of reasonable prices on bids or proposals within that class; and

(iv) a list of eligible businesses owned by minorities, women, and persons with disabilities that the contractor has used in the current and prior fiscal years.

(b) Determination. The Council's determination concerning an individual contract exemption must consider, at a minimum, the following:

(i) the justification for the requested exemption, including whether diligent efforts were undertaken to identify and solicit eligible businesses owned by minorities, women, and persons with disabilities;

(ii) the total number of exemptions granted to the affected agency, public institution of higher education, or recipient of a grant or loan of State

funds of $250,000 or more complying with Section 45 of the State Finance Act that have been granted by the Council in the current and prior fiscal years; and

(iii) the percentage of contracts awarded by the agency or public institution of higher education to eligible businesses owned by minorities, women, and persons with disabilities in the current and prior fiscal years.

(2) Class exemptions.

(a) Creation. The Council, at the written request of the affected agency or public institution of higher education, may permit an entire class of contracts be made exempt from State contracting goals for businesses owned by minorities, women, and persons with disabilities whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of qualified businesses owned by minorities, women, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals within that class. Any such exemption shall be given by the Council to the Bureau on Apprenticeship Programs and Clean Energy Jobs.

(a-1) Written request for class exemption. A written request for a class exemption must include, but is not limited to, the following:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities;

(ii) a clear demonstration that the number of eligible businesses identified in subparagraph (i) above is insufficient to ensure adequate competition;

(iii) the difference in cost between the contract proposals being offered by eligible businesses owned by minorities, women, and persons with disabilities and the agency or public institution of higher education's expectations of reasonable prices on bids or proposals within that class; and

(iv) the number of class exemptions the affected agency or public institution of higher education requested in the current and prior fiscal years.

(a-2) Determination. The Council's determination concerning class exemptions must consider, at a minimum, the following:

(i) the justification for the requested exemption, including whether diligent efforts were undertaken to identify and solicit eligible businesses owned by minorities, women, and persons with disabilities;

(ii) the total number of class exemptions granted to the requesting agency or public institution of higher education that have been granted by the Council in the current and prior fiscal years; and

(iii) the percentage of contracts awarded by the

agency or public institution of higher education to eligible businesses owned by minorities, women, and persons with disabilities the current and prior fiscal years.

(b) Limitation. Any such class exemption shall not be permitted for a period of more than one year at a time.

(3) Waivers. Where a particular contract requires a contractor to meet a goal established pursuant to this Act, the contractor shall have the right to request a waiver from such requirements prior to the contract award. The Council shall grant the waiver when the contractor demonstrates that there has been made a good faith effort to comply with the goals for participation by businesses owned by minorities, women, and persons with disabilities. Any such waiver shall also be transmitted in writing to the Bureau on Apprenticeship Programs and Clean Energy Jobs.

(a) Request for waiver. A contractor's request for a waiver under this subsection (3) must include, but is not limited to, the following, if available:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities that pertain to the scope of work of the contract. Eligible businesses are only eligible if the business is certified for the products or work advertised in the solicitation;

(ii) (blank);

(iia) a clear demonstration that the contractor selected portions of the work to be performed by eligible businesses owned by minorities, women, and persons with disabilities, solicited through all reasonable and available means eligible businesses, and negotiated in good faith with interested eligible businesses;

(iib) documentation demonstrating that businesses owned by minorities, women, and persons with disabilities are not rejected as being unqualified without sound reasons based on a thorough investigation of their capabilities;

(iii) documentation demonstrating that the contract proposals being offered by businesses owned by minorities, women, and persons with disabilities are excessive or unreasonable; and

(iv) a list of businesses owned by minorities, women, and persons with disabilities that the contractor has used in the current and prior fiscal years.

(b) Determination. The Council's determination concerning waivers must include following:

(i) the justification for the requested waiver, including whether the requesting contractor made a good faith effort to identify and solicit eligible businesses owned by minorities, women, and persons

with disabilities;

(ii) the total number of waivers the contractor has been granted by the Council in the current and prior fiscal years;

(iii) (blank); and

(iv) the contractor's use of businesses owned by minorities, women, and persons with disabilities in the current and prior fiscal years.

(3.5) (Blank).

(4) Conflict with other laws. In the event that any State contract, which otherwise would be subject to the provisions of this Act, is or becomes subject to federal laws or regulations which conflict with the provisions of this Act or actions of the State taken pursuant hereto, the provisions of the federal laws or regulations shall apply and the contract shall be interpreted and enforced accordingly.

(5) Each chief procurement officer, as defined in the Illinois Procurement Code, shall maintain on his or her official Internet website a database of the following: (i) waivers granted under this Section with respect to contracts under his or her jurisdiction; (ii) a State agency or public institution of higher education's written request for an exemption of an individual contract or an entire class of contracts; and (iii) the Council's written determination granting or denying a request for an exemption of an individual contract or an entire class of contracts. The

database, which shall be updated periodically as necessary, shall be searchable by contractor name and by contracting State agency.

(6) Each chief procurement officer, as defined by the Illinois Procurement Code, shall maintain on its website a list of all firms that have been prohibited from bidding, offering, or entering into a contract with the State of Illinois as a result of violations of this Act.

Each public notice required by law of the award of a State contract shall include for each bid or offer submitted for that contract the following: (i) the bidder's or offeror's name, (ii) the bid amount, (iii) the name or names of the certified firms identified in the bidder's or offeror's submitted utilization plan, and (iv) the bid's amount and percentage of the contract awarded to businesses owned by minorities, women, and persons with disabilities identified in the utilization plan.

(Source: P.A. 101-170, eff. 1-1-20; 101-601, eff. 1-1-20; 101-657, eff. 1-1-22; 102-29, eff. 6-25-21.)

(35 ILCS 5/206 rep.)

Section 90-37. The Illinois Income Tax Act is amended by repealing Section 206.

Section 90-39. The Property Tax Code is amended by changing Sections 1-130, 10-5, and 10-610 as follows:

(35 ILCS 200/1-130)

Sec. 1-130. Property; real property; real estate; land; tract; lot.

(a) The land itself, with all things contained therein, and also all buildings, structures and improvements, and other permanent fixtures thereon, including all oil, gas, coal, and other minerals in the land and the right to remove oil, gas and other minerals, excluding coal, from the land, and all rights and privileges belonging or pertaining thereto, except where otherwise specified by this Code. Not included therein are low-income housing tax credits authorized by Section 42 of the Internal Revenue Code, 26 U.S.C. 42.

(b) Notwithstanding any other provision of law, mobile homes and manufactured homes that (i) are located outside of mobile home parks and (ii) are taxed under the Mobile Home Local Services Tax Act on the effective date of this amendatory Act of the 96th General Assembly shall continue to be taxed under the Mobile Home Local Services Tax Act and shall not be assessed and taxed as real property until the home is sold or transferred or until the home is relocated to a different parcel of land outside of a mobile home park. If a mobile home or manufactured home described in this subsection (b) is sold, transferred, or relocated to a different parcel of land outside of a mobile home park, then the home shall be assessed and taxed as real property whether or not that mobile

home or manufactured home is affixed to a permanent foundation, as defined in Section 5-5 of the Conveyance and Encumbrance of Manufactured Homes as Real Property and Severance Act, or installed on a permanent foundation, and whether or not such mobile home or manufactured home is real property as defined in Section 5-35 of the Conveyance and Encumbrance of Manufactured Homes as Real Property and Severance Act. Mobile homes and manufactured homes that are located outside of mobile home parks and assessed and taxed as real property on the effective date of this amendatory Act of the 96th General Assembly shall continue to be assessed and taxed as real property whether or not those mobile homes or manufactured homes are affixed to a permanent foundation as defined in the Conveyance and Encumbrance of Manufactured Homes as Real Property and Severance Act or installed on permanent foundations and whether or not those mobile homes or manufactured homes are real property as defined in the Conveyance and Encumbrance of Manufactured Homes as Real Property and Severance Act. If a mobile or manufactured home that is located outside of a mobile home park is relocated to a mobile home park, it must be considered chattel and must be taxed according to the Mobile Home Local Services Tax Act. The owner of a mobile home or manufactured home that is located outside of a mobile home park may file a request with the chief county assessment officer that the home be taxed as real property.

(c) Mobile homes and manufactured homes that are located in mobile home parks must be taxed according to the Mobile Home Local Services Tax Act.

(d) If the provisions of this Section conflict with the Illinois Manufactured Housing and Mobile Home Safety Act, the Mobile Home Local Services Tax Act, the Mobile Home Park Act, or any other provision of law with respect to the taxation of mobile homes or manufactured homes located outside of mobile home parks, the provisions of this Section shall control.

(e) Spent fuel pools and dry cask storage systems in which nuclear fuel is stored and is pending further or final disposal from a nuclear power plant that was decommissioned before January 1, 2021 shall be considered real property and be assessable.

(Source: P.A. 98-749, eff. 7-16-14.)

(35 ILCS 200/10-5)

Sec. 10-5. Solar energy systems; definitions. It is the policy of this State that the use of solar energy systems should be encouraged because they conserve nonrenewable resources, reduce pollution and promote the health and well-being of the people of this State, and should be valued in relation to these benefits.

(a) "Solar energy" means radiant energy received from the sun at wave lengths suitable for heat transfer, photosynthetic use, or photovoltaic use.

(b) "Solar collector" means

(1) An assembly, structure, or design, including passive elements, used for gathering, concentrating, or absorbing direct and indirect solar energy, specially designed for holding a substantial amount of useful thermal energy and to transfer that energy to a gas, solid, or liquid or to use that energy directly; or

(2) A mechanism that absorbs solar energy and converts it into electricity; or

(3) A mechanism or process used for gathering solar energy through wind or thermal gradients; or

(4) A component used to transfer thermal energy to a gas, solid, or liquid, or to convert it into electricity.

(c) "Solar storage mechanism" means equipment or elements (such as piping and transfer mechanisms, containers, heat exchangers, or controls thereof, and gases, solids, liquids, or combinations thereof) that are utilized for storing solar energy, gathered by a solar collector, for subsequent use.

(d) "Solar energy system" means

(1)(A) A complete assembly, structure, or design of solar collector, or a solar storage mechanism, which uses solar energy for generating electricity that is primarily consumed on the property on which the solar energy system resides, or for heating or cooling gases, solids, liquids, or other materials for the primary benefit of the property on which the solar energy system resides;

(B) The design, materials, or elements of a system and its maintenance, operation, and labor components, and the necessary components, if any, of supplemental conventional energy systems designed or constructed to interface with a solar energy system; ~~and~~

(C) Any legal, financial, or institutional orders, certificates, or mechanisms, including easements, leases, and agreements, required to ensure continued access to solar energy, its source, or its use in a solar energy system, and including monitoring and educational elements of a demonstration project; or~~.~~

(D) Photovoltaic electricity generation systems subject to power purchase agreements or leases for solar energy between a third-party owner, an operator, or both, and an end user of electricity, where such systems are located on the end user of electricity's side of the electric meter and which primarily are used to offset the electricity load of the end user behind whose electric meter the system is connected. A system primarily is used to offset the electricity load of the end user of electricity if the system is estimated to produce 110% or fewer kilowatt-hours of electricity than consumed by the end user of electricity at such meter in the last 12 full months prior to the system being placed in service.

(2) "Solar energy system" does not include:

(A) Distribution equipment that is equally usable

in a conventional energy system except for those components of the equipment that are necessary for meeting the requirements of efficient solar energy utilization;

(B) Components of a solar energy system that serve structural, insulating, protective, shading, aesthetic, or other non-solar energy utilization purposes, as defined in the regulations of the Department of Commerce and Economic Opportunity; or ~~and~~

(C) A commercial solar energy system, as defined by this Code, in counties with fewer than 3,000,000 inhabitants.

(3) The solar energy system shall conform to the standards for those systems established by regulation of the Department of Commerce and Economic Opportunity.

(Source: P.A. 100-781, eff. 8-10-18.)

(35 ILCS 200/10-610)

Sec. 10-610. Applicability.

(a) The provisions of this Division apply for assessment years 2007 through 2035 ~~2021~~.

(b) The provisions of this Division do not apply to wind energy devices that are owned by any person or entity that is otherwise exempt from taxation under the Property Tax Code.

(Source: P.A. 99-825, eff. 8-16-16.)

Section 90-43. The School Code is amended by changing Section 10-22.11 as follows:

(105 ILCS 5/10-22.11) (from Ch. 122, par. 10-22.11)

Sec. 10-22.11. Lease of school property.

(a) To lease school property to another school district, municipality or body politic and corporate for a term of not to exceed 25 years, except as otherwise provided in this Section, and upon such terms and conditions as may be agreed if in the opinion of the school board use of such property will not be needed by the district during the term of such lease; provided, the school board shall not make or renew any lease for a term longer than 10 years, nor alter the terms of any lease whose unexpired term may exceed 10 years without the vote of 2/3 of the full membership of the board.

(b) Whenever the school board considers such action advisable and in the best interests of the school district, to lease vacant school property for a period not exceeding 51 years to a private not for profit school organization for use in the care of persons with a mental disability who are trainable and educable in the district or in the education of the gifted children in the district. Before leasing such property to a private not for profit school organization, the school board must adopt a resolution for the leasing of such property, fixing the period and price therefor, and order

submitted to referendum at an election to be held in the district as provided in the general election law, the question of whether the lease should be entered into. Thereupon, the secretary shall certify to the proper election authorities the proposition for submission in accordance with the general election law. If the majority of the voters voting upon the proposition vote in favor of the leasing, the school board may proceed with the leasing. The proposition shall be in substantially the following form:

Shall School District No. ..... of ..... County, Illinois lease to ..... (here name and identify the lessee) the following described vacant school property (here describe the property) for a term of ..... years for the sum of ..... Dollars?

YES

NO

This paragraph (b) shall not be construed in such a manner as to relieve the responsibility of the Board of Education as set out in Article 14 of the School Code.

(c) To lease school buildings and land to suitable lessees for educational purposes or for any other purpose which serves the interests of the community, for a term not to exceed 25 years and upon such terms and conditions as may be agreed upon by the parties, when such buildings and land are declared by

the board to be unnecessary or unsuitable or inconvenient for a school or the uses of the district during the term of the lease and when, in the opinion of the board, the best interests of the residents of the school district will be enhanced by entering into such a lease. Such leases shall include provisions for adequate insurance for both liability and property damage or loss, and reasonable charges for maintenance and depreciation of such buildings and land.

(d) Notwithstanding any other provision to the contrary, a lease for vacant school property may exceed 25 years for renewable energy resources, as defined in Section 1-10 of the Illinois Power Agency Act.

(Source: P.A. 99-143, eff. 7-27-15.)

Section 90-45. The University of Illinois Act is amended by adding Section 120 as follows:

(110 ILCS 305/120 new)

Sec. 120. Carbon capture, utilization, and storage report.

(a) Subject to appropriation, the Prairie Research Institute at the University of Illinois at Urbana-Champaign, in consultation with an intergovernmental advisory committee, must file a report on the potential for carbon capture, utilization, and storage as a climate mitigation technology throughout Illinois with the Governor and the General Assembly no later than December 31, 2022. The report shall provide an

assessment of Illinois subsurface storage resources, a description of existing and selected subsurface storage projects, and best practices for carbon storage. Additionally, the report shall provide recommendations for policy and regulatory needs at the State level based on its findings, and shall, at a minimum, address all the following areas:

(1) carbon capture, utilization, and storage current status and future storage resource potential in the State. Enhanced Oil Recovery shall remain outside the scope of this study;

(2) procedures, standards, and safeguards for the storage of carbon dioxide;

(3) permitting processes and the coordination with applicable federal law or regulatory commissions, including the Class VI injection well permitting process;

(4) economic impact, job creation, and job retention from carbon capture, utilization, and storage that both protects the environment and supports short-term and long-term economic growth;

(5) development of knowledge capacity of appropriate State agencies and stakeholders;

(6) environmental justice and stakeholder issues related to carbon capture, utilization, and storage throughout the State;

(7) leveraging federal policies and public-private partnerships for research, design, and development to

benefit the State;

(8) liability for the storage and monitoring maintenance of the carbon dioxide after the completion of a carbon capture, utilization, and storage project;

(9) acquisition, ownership, and amalgamation of pore space for carbon capture, utilization, and storage;

(10) methodologies to establish any necessary fees, costs, or offsets; and

(11) any risks to health, safety, the environment, and property uses or values.

(b) In developing the report under this Section, the Prairie Research Institute shall form an advisory committee, which shall be composed of all the following members:

(1) the Director of the Environmental Protection Agency, or his or her designee;

(2) the Director of Natural Resources, or his or her designee;

(3) the Director of Commerce and Economic Opportunity, or his or her designee;

(4) the Director of the Illinois Emergency Management Agency, or his or her designee;

(5) the Director of Agriculture, or his or her designee;

(6) the Attorney General, or his or her designee;

(7) one member of the Senate, appointed by the President of the Senate;

(8) one member of the House of Representatives, appointed by the Speaker of the House of Representatives;

(9) one member of the Senate, appointed by the Minority Leader of the Senate; and

(10) one member of the House of Representatives, appointed by the Minority Leader of the House of Representatives.

(c) No later than 60 days after the effective date of this amendatory Act of the 102nd General Assembly, the advisory committee shall hold its first meeting at the call of the Executive Director of the Prairie Research Institute, at which meeting the members shall select a chairperson from among themselves. After its first meeting, the committee shall meet at the call of the chairperson. Members of the committee shall serve without compensation. The Prairie Research Committee shall provide administrative support to the committee.

(d) The Prairie Research Institute shall also engage with interested stakeholders throughout the State to gain insights into socio-economic perspectives from environmental justice organizations, environmental non-governmental organizations, industry, landowners, farm bureaus, manufacturing, labor unions, and others.

(e) This Section is repealed on January 1, 2023.

Section 90-50. The Public Utilities Act is amended by changing Sections 5-117, 8-103B, 8-406, 9-241, 16-107.5,

16-107.6, 16-108, 16-111.5, and 16-127 and by adding Sections 4-604, 4-604.5, 4-605, 8-201.8, 8-201.10, 8-218, 8-402.2, 8-512, 9-228, 9-229, 16-105.5, 16-105.6, 16-105.7, 16-105.10, 16-105.17, 16-108.18, 16-108.19, 16-108.20, 16-108.21, 16-108.25, 16-108.30, 16-111.10, 16-135, and 17-900 as follows:

(220 ILCS 5/4-604 new)

Sec. 4-604. Electric and gas public utilities ethical conduct and transparency.

(a) It is the policy of this State that, as regulated, monopoly entities providing essential services, public utilities must adhere to the highest standards of ethical conduct. It is in the public interest to ensure ethical public utility conduct of the highest standards. It is therefore necessary for the public interest, safety, and welfare of the State and of public utility customers to develop rigorous ethical standards and scrutinize and limit public utility actions, expenditures, and contracting. It is also necessary to provide increased transparency to ensure ethical public utility conduct.

(b) The standards set forth in this Section and the Illinois Administrative Code rules implementing this Section shall apply, to the extent practicable, to electric and gas public utilities and their energy-related subsidiaries.

(c) Public Utility Ethics and Compliance Monitor. To

ensure that public utilities meet the highest level of ethical standards, including, but not limited to, those standards established in this Section, the Commission shall, within 60 days after the effective date of this amendatory Act of the 102nd General Assembly, establish an Ethics and Accountability Division at the Commission and shall create a new position of Public Utility Ethics and Compliance Monitor who reports to the Executive Director of the Commission. The role of the Public Utility Ethics and Compliance Monitor shall be to oversee electric and gas public utilities' compliance with the standards established in this Section, the Illinois Administrative Code, and any other regulatory or statutory obligation regarding standards of ethical conduct. The responsibilities of the Public Utility Ethics and Compliance Monitor shall include:

(1) Hiring additional staff for the Ethics and Accountability Division, as deemed necessary to fulfill the duties imposed under this Section.

(2) Overseeing each public utility's Chief Compliance and Ethics Officer's monitoring, auditing, investigation, enforcement, reporting, disciplinary activities, and any other actions required of the Chief Compliance and Ethics Officer pursuant to subsection (d) of this Section. If the Public Utility Ethics and Compliance Monitor finds a public utility has not complied with the standards set forth in this Section, or with administrative rules

implementing this Section, the Public Utility Ethics and Compliance Monitor shall detail such deficiencies in a report to the Commission and shall include a recommendation for Commission action.

(3) Documenting violations of the standards in this Section or in related Sections of the Illinois Administrative Code and, in coordination with the utility's Chief Compliance and Ethics Officer, ensuring each public utility administers appropriate internal disciplinary actions and provides transparent reporting to the Commission. If there are violations of the standards in this Section or in related Sections of the Illinois Administrative Code where the public utility does not take disciplinary action or where that action is not aligned with the recommendation of the Public Utility Ethics and Compliance Monitor, the Public Utility Ethics and Compliance Monitor shall, within 30 days, report the violation, the recommended disciplinary action, and the public utility's actual disciplinary action, to the Executive Director of the Commission. Such reports shall be included in the annual ethics report required by paragraph (5) of this subsection (c) and must describe the violation and related recommendations.

(4) Reviewing and keeping informed regarding internal controls, code of ethical conduct, practices, procedures, and conduct of each public utility. The Public Utilities

Ethics and Compliance Monitor may recommend any new internal controls, policies, practices or procedures the public utility should undertake in order to ensure compliance with this Section and with relevant Sections of the Illinois Administrative Code.

(5) Publishing an annual ethics audit for each electric and gas public utility describing the public utility's internal controls, policies, practices, and procedures to comply with statutes, rules, court orders, or other applicable authority. The report shall include a record of any disciplinary actions taken related to unethical conduct as well as any recommendations made by the Public Utility Ethics and Compliance Monitor and the public utility's response to each recommendation. This report must be made public and the Commission may make necessary redactions.

(6) Monitoring, auditing, and subpoenaing all records necessary for the Public Utility Ethics and Compliance Monitor to meet the responsibilities imposed under this Section and related rules, including, but not limited to, contracts with third party entities, accounting records, communication with public officials or their staff, lobbying activities, expenses on lobbyists and consultants, legal expenses, and internal compliance policies.

(d)(1) No later than 60 days after the effective date of

this amendatory Act of the 102nd General Assembly, each public utility shall establish a position of Chief Ethics and Compliance Officer if such position does not already exist within the utility or at an affiliated company, provided that if the position exists at an affiliated company such individual may be designated to serve in this role for the utility. The Chief Ethics and Compliance Officer shall be responsible for ensuring that the public utility complies with the highest standards of ethical conduct, including, but not limited to, complying with the standards imposed under this Section, those adopted pursuant to a rulemaking authorized by this Section, and other applicable requirements of Illinois law and rules.

(2) Each public utility's Chief Ethics and Compliance Officer shall:

(A) oversee creation and implementation of a code of ethical conduct for the public utility, applicable to all directors, officers, employees, and lobbyists of the public utility, as well as to all contractors, consultants, agents, vendors, and business partners of the public utility in connection with their activities with or on behalf of the public utility;

(B) oversee training for public utility directors, officers, and employees, as well as contractors, consultants, lobbyists and political consultants, on the public utility's code of ethical conduct, practices, and

procedures to advise agents, vendors, and business partners of the public utility of the applicability of the code of ethical conduct to their activities with or on behalf of the public utility;

(C) oversee the ongoing monitoring of all contractors, consultants, and vendors who are contracted for the purpose of carrying out lobbying activities to ensure their continued compliance with applicable ethical standards;

(D) at least annually, oversee a review of the public utility's internal controls, code of ethical conduct, practices, and procedures to assess their continued effectiveness to ensure the highest standards of ethical conduct among the public utility's directors, officers, employees, contractors, consultants, lobbyists, vendors, agents and business partners; and

(E) maintain records of all conduct determined to be in violation of Illinois law, rules, and regulations, and the utility's response to that conduct, and make such records available for inspection by the Public Utility Ethics and Compliance Monitor.

(e) In addition to those standards established under this Section, those adopted pursuant to a rulemaking authorized by this Section, and other applicable requirements of Illinois law and rules, each public utility Chief Ethics and Compliance Officer shall oversee and ensure the development and

implementation of internal controls, policies, and procedures to achieve the objectives set forth in paragraphs (1) through (3) of this subsection. Such implementation shall begin no later than 90 days after the effective date of this amendatory Act of the 102nd General Assembly.

(1) The hiring of contractors, consultants and vendors for the purpose of carrying out lobbying pursuant to the Lobbyist Registration Act shall be reviewed and approved by the Chief Ethics and Compliance Officer.

(2) No agreement between a public utility and a contractor, consultant, or vendor engaged for the purpose of carrying out lobbying pursuant to the Lobbyist Registration Act shall permit that contractor, consultant, or vendor to subcontract any portion of that work.

(3) Public utilities shall require contractors, consultants, and vendors who are contracted for the purpose of carrying out lobbying pursuant to the Lobbyist Registration Act to provide detailed invoices and reports describing activities taken and amounts billed for such activities, including all persons involved and anything of value requested or solicited or provided to public officials or their staff, including hiring requests. No such contractor, consultant, or vendor shall be paid without having first submitted a detailed invoice or report.

For purposes of this Section, "anything of value"

includes, but is not limited to, money, gifts, entertainment, hiring referrals and recommendations to the public utility, campaign contributions, vendor referrals, and contributions to charitable organizations solicited by or on behalf of the public official.

(f) Each public utility shall be required to submit an annual ethics and compliance report to the Commission no later than May 1 of each year, beginning May 1, 2022. The utility's Chief Ethics and Compliance Officer shall oversee the preparation and submission of the report and shall certify it. Each report shall describe in detail the public utility's internal controls, codes of ethical conduct, practices, and procedures. The reporting implemented during the reporting period to comply with the standards set forth in this Section, rules adopted by the Commission, and other applicable requirements of Illinois law and rules. Each report shall also identify any material changes implemented to such internal controls, code of ethical conduct, practices, and procedures during the reporting period, as well as any material changes implemented, or anticipated to be implemented, in the calendar year in which the report is filed. Each report shall, for the applicable reporting period include at least the following information:

(1) a summary and description of the public utility's system of financial and accounting procedures, internal controls, and practices, including an explanation of how

this system is reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts and to provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and Commission requirements and to maintain accountability for assets;

(2) a summary and description of the public utility's process for conducting an assessment of ethics and compliance risks and a representation that an assessment was conducted in accordance with those risks and shared with the public utility's senior management and board of directors;

(3) a summary of the public utility's implementation of mechanisms, including, but not limited to, training programs designed to ensure that its internal controls, code of ethical conduct, practices, and procedures are effectively communicated to all directors, officers, employees, contractors, consultants, lobbyists, vendors, agents, and business partners;

(4) a summary of the public utility's efforts to ensure that its directors and senior management provide strong, explicit, and visible support and commitment to its corporate policy against violations of federal and State law;

(5) a summary of the public utility's implementation

of mechanisms designed to effectively enforce its internal controls, code of ethical conduct, practices, and procedures, including appropriately providing incentives for compliance, disciplining violators, and applying such code, controls, policies, practices, and procedures consistently and fairly regardless of the position held by, or the importance of, the director, officer, or employee; and

(6) a summary of the public utility's implementation of procedures to ensure that, where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, including disciplinary action, logging the conduct and the utility's response as required by item (E) of paragraph (2) of subsection (d) of this Section and assessing and modifying as appropriate the internal controls, code, policies, practices and procedures necessary to ensure that the compliance program is effective.

For purposes of this Section, "reporting period" means the most recent 12-month calendar year period preceding the applicable May 1 annual report filing date.

(g) Notwithstanding the provisions of this Section, the Commission shall initiate a management audit pursuant to Section 8-102 of this Act by the later of 18 months after the effective date of this amendatory Act of the 102nd General Assembly or 18 months after a conviction or a plea or agreement

of each public utility that, on or after January 1, 2020, has been found guilty or entered a guilty plea regarding any felony offense or has entered into a Deferred Prosecution Agreement for a felony offense. Such audit shall address, at a minimum, the topics identified in paragraphs (1) through (6) of subsection (f).

(h) Each public utility that files a report pursuant to subsection (f) must submit the specified filing fee at the time the Chief Clerk of the Commission accepts the filing. The filing fees applicable to each annual report are as follows: $15,000 for public utilities that serve fewer than 100,000 customers in the State; $75,000 for public utilities that serve at least 100,000 customers but not more than 500,000 customers in the State; $200,000 for public utilities that serve at least 500,000 customers in the State but not more than 3,000,000; and $500,000 for public utilities that serve at least 3,000,000 customers in the State.

(i) In the event the Public Utility Ethics and Compliance Monitor finds a public utility does not comply with any portion of this Section, or with the rules adopted under this Section, the Public Utility Ethics and Compliance Monitor shall issue a Report to the Commission detailing the public utility's deficiencies. The Commission shall have authority to open an investigation and shall order remediation and penalties, including fines, as appropriate.

(j) Each year, each public utility in the State shall

remit amounts necessary for the Commission to pay the wages, overhead, travel expenses, and other costs of the Public Utility Ethics and Compliance Monitor. The public utility shall remit payment to the Commission in an amount determined by the Commission based on that public utility's proportional share, by number of customers.

(k) The costs of a public utility that arise from a criminal investigation or result from an investigation initiated by the Commission as the result of an ethics violation are not costs of service and shall not be recoverable in rates.

(l) The Commission shall have the authority to adopt rules and emergency rules where applicable to implement this Section.

(220 ILCS 5/4-604.5 new)

Sec. 4-604.5. Restitution for misconduct.

(a) It is the policy of this State that public utility ethical and criminal misconduct shall not be tolerated. The General Assembly finds it necessary to collect restitution, to be distributed as described in subsection (e), from a public utility that has been found guilty of violations of criminal law or that has entered into a Deferred Prosecution Agreement that details violations of criminal law that result in harm to ratepayers.

(b) In light of such violations, the Illinois Commerce

Commission shall, within 150 days after the effective date of this amendatory Act of the 102nd General Assembly, initiate an investigation as to whether Commonwealth Edison collected, spent, allocated, transferred, remitted, or caused in any other way to be expended ratepayer funds in connection with the conduct detailed in the Deferred Prosecution Agreement of July 16, 2020 between the United States Attorney for the Northern District of Illinois and Commonwealth Edison. The investigation shall also determine whether any ratepayer funds were used to pay the criminal penalty agreed to in the Deferred Prosecution Agreement. The investigation shall determine whether the public utility collected, spent, allocated, transferred, remitted, or caused in any other way to be expended ratepayer funds that were not lawfully recoverable through rates, and which should accordingly be refunded to ratepayers and calculate such benefits to initiate a refund to ratepayers as a result of such conduct. The investigation shall conclude no later than 330 days following initiation and shall be conducted as a contested case, as defined in Section 1-30 of the Illinois Administrative Procedure Act.

(c) If regulated entities are found guilty of criminal conduct, the Commission may initiate an investigation, impose penalties, order restitution and such other remedies it deems necessary, and initiate refunds to ratepayers as described in subsection (b). Such investigation and proceeding may commence within 150 days of a finding of guilt. Any funds collected

pursuant to this subsection shall be distributed as described in subsection (e). The Commission may order any other remedies it deems necessary.

(d) Pursuant to subsection (e), the investigation shall calculate a schedule for remittance to State funds and to ratepayers, over a period of no more than 4 years, to be paid by the public utility from profits, returns, or shareholder dollars. No costs related to the investigation or contested proceeding authorized by this Section, restitution, or refunds may be recoverable through rates.

(e) Funds collected pursuant to this Section, for the purposes of restitution, shall be repaid by the public utility as a per therm or per-kilowatt-hour credit to the public utility's ratepayers as a separate line item on the utility bill.

(f) No public utility may use ratepayer funds to pay a criminal penalty imposed by any local, State, or federal law enforcement entity or court.

(g) Any penalties, restitution, refunds, or remedies provided for in this Section are in addition to and not a substitution for other remedies that may be provided for by law.

(220 ILCS 5/4-605 new)

Sec. 4-605. Reliability mitigation plan findings. The General Assembly finds that reducing carbon dioxide and

copollutant emissions in a manner that does not threaten electric reliability and resource adequacy is essential to the health and safety of all Illinois citizens. Therefore, the Commission shall review reliability mitigation plans filed pursuant to Section 9.15 of the Environmental Protection Act to ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service is available to ratepayers by approving reliability mitigation plans that permit the Illinois Pollution Control Board to enforce emission reductions in a manner that preserves reliability and resource adequacy in wholesale and retail electricity markets.

(220 ILCS 5/5-117)

Sec. 5-117. Supplier diversity goals.

(a) The public policy of this State is to collaboratively work with companies that serve Illinois residents to improve their supplier diversity in a non-antagonistic manner.

(b) The Commission shall require all gas, electric, and water companies with at least 100,000 customers under its authority, as well as suppliers of wind energy, solar energy, hydroelectricity, nuclear energy, and any other supplier of energy within this State other than wind energy and solar energy required to comply with the reporting requirements under Section 1505-215 of the Department of Labor Law of the Civil Administrative Code of Illinois, to submit an annual report by April 15, 2015 and every April 15 thereafter, in a

searchable Adobe PDF format, on all procurement goals and actual spending for female-owned, minority-owned, veteran-owned, and small business enterprises in the previous calendar year. These goals shall be expressed as a percentage of the total work performed by the entity submitting the report, and the actual spending for all female-owned, minority-owned, veteran-owned, and small business enterprises shall also be expressed as a percentage of the total work performed by the entity submitting the report.

(c) Each participating company in its annual report shall include the following information:

(1) an explanation of the plan for the next year to increase participation;

(2) an explanation of the plan to increase the goals;

(3) the areas of procurement each company shall be actively seeking more participation in ~~in~~ the next year;

(4) an outline of the plan to alert and encourage potential vendors in that area to seek business from the company;

(5) an explanation of the challenges faced in finding quality vendors and offer any suggestions for what the Commission could do to be helpful to identify those vendors;

(6) a list of the certifications the company recognizes;

(7) the point of contact for any potential vendor who

wishes to do business with the company and explain the process for a vendor to enroll with the company as a minority-owned, women-owned, or veteran-owned company; and

(8) any particular success stories to encourage other companies to emulate best practices.

(d) Each annual report shall include as much State-specific data as possible. If the submitting entity does not submit State-specific data, then the company shall include any national data it does have and explain why it could not submit State-specific data and how it intends to do so in future reports, if possible.

(e) Each annual report shall include the rules, regulations, and definitions used for the procurement goals in the company's annual report.

(f) The Commission and all participating entities shall hold an annual workshop open to the public in 2015 and every year thereafter on the state of supplier diversity to collaboratively seek solutions to structural impediments to achieving stated goals, including testimony from each participating entity as well as subject matter experts and advocates. The Commission shall publish a database on its website of the point of contact for each participating entity for supplier diversity, along with a list of certifications each company recognizes from the information submitted in each annual report. The Commission shall publish each annual report on its website and shall maintain each annual report for at

least 5 years.

(Source: P.A. 98-1056, eff. 8-26-14; 99-906, eff. 6-1-17; revised 7-22-19.)

(220 ILCS 5/8-103B)

Sec. 8-103B. Energy efficiency and demand-response measures.

(a) It is the policy of the State that electric utilities are required to use cost-effective energy efficiency and demand-response measures to reduce delivery load. Requiring investment in cost-effective energy efficiency and demand-response measures will reduce direct and indirect costs to consumers by decreasing environmental impacts and by avoiding or delaying the need for new generation, transmission, and distribution infrastructure. It serves the public interest to allow electric utilities to recover costs for reasonably and prudently incurred expenditures for energy efficiency and demand-response measures. As used in this Section, "cost-effective" means that the measures satisfy the total resource cost test. The low-income measures described in subsection (c) of this Section shall not be required to meet the total resource cost test. For purposes of this Section, the terms "energy-efficiency", "demand-response", "electric utility", and "total resource cost test" have the meanings set forth in the Illinois Power Agency Act. <u>"Black, indigenous, and people of color" and "BIPOC" means people who are members</u>

of the groups described in subparagraphs (a) through (e) of paragraph (A) of subsection (1) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

(a-5) This Section applies to electric utilities serving more than 500,000 retail customers in the State for those multi-year plans commencing after December 31, 2017.

(b) For purposes of this Section, electric utilities subject to this Section that serve more than 3,000,000 retail customers in the State shall be deemed to have achieved a cumulative persisting annual savings of 6.6% from energy efficiency measures and programs implemented during the period beginning January 1, 2012 and ending December 31, 2017, which percent is based on the deemed average weather normalized sales of electric power and energy during calendar years 2014, 2015, and 2016 of 88,000,000 MWhs. For the purposes of this subsection (b) and subsection (b-5), the 88,000,000 MWhs of deemed electric power and energy sales shall be reduced by the number of MWhs equal to the sum of the annual consumption of customers that have opted out of ~~are exempt from~~ subsections (a) through (j) of this Section under paragraph (1) of subsection (l) of this Section, as averaged across the calendar years 2014, 2015, and 2016. After 2017, the deemed value of cumulative persisting annual savings from energy efficiency measures and programs implemented during the period beginning January 1, 2012 and ending December 31, 2017, shall

be reduced each year, as follows, and the applicable value shall be applied to and count toward the utility's achievement of the cumulative persisting annual savings goals set forth in subsection (b-5):

(1) 5.8% deemed cumulative persisting annual savings for the year ending December 31, 2018;

(2) 5.2% deemed cumulative persisting annual savings for the year ending December 31, 2019;

(3) 4.5% deemed cumulative persisting annual savings for the year ending December 31, 2020;

(4) 4.0% deemed cumulative persisting annual savings for the year ending December 31, 2021;

(5) 3.5% deemed cumulative persisting annual savings for the year ending December 31, 2022;

(6) 3.1% deemed cumulative persisting annual savings for the year ending December 31, 2023;

(7) 2.8% deemed cumulative persisting annual savings for the year ending December 31, 2024;

(8) 2.5% deemed cumulative persisting annual savings for the year ending December 31, 2025;

(9) 2.3% deemed cumulative persisting annual savings for the year ending December 31, 2026;

(10) 2.1% deemed cumulative persisting annual savings for the year ending December 31, 2027;

(11) 1.8% deemed cumulative persisting annual savings for the year ending December 31, 2028;

(12) 1.7% deemed cumulative persisting annual savings for the year ending December 31, 2029; ~~and~~

(13) 1.5% deemed cumulative persisting annual savings for the year ending December 31, 2030;~~.~~

(14) 1.3% deemed cumulative persisting annual savings for the year ending December 31, 2031;

(15) 1.1% deemed cumulative persisting annual savings for the year ending December 31, 2032;

(16) 0.9% deemed cumulative persisting annual savings for the year ending December 31, 2033;

(17) 0.7% deemed cumulative persisting annual savings for the year ending December 31, 2034;

(18) 0.5% deemed cumulative persisting annual savings for the year ending December 31, 2035;

(19) 0.4% deemed cumulative persisting annual savings for the year ending December 31, 2036;

(20) 0.3% deemed cumulative persisting annual savings for the year ending December 31, 2037;

(21) 0.2% deemed cumulative persisting annual savings for the year ending December 31, 2038;

(22) 0.1% deemed cumulative persisting annual savings for the year ending December 31, 2039; and

(23) 0.0% deemed cumulative persisting annual savings for the year ending December 31, 2040 and all subsequent years.

For purposes of this Section, "cumulative persisting

annual savings" means the total electric energy savings in a given year from measures installed in that year or in previous years, but no earlier than January 1, 2012, that are still operational and providing savings in that year because the measures have not yet reached the end of their useful lives.

(b-5) Beginning in 2018, electric utilities subject to this Section that serve more than 3,000,000 retail customers in the State shall achieve the following cumulative persisting annual savings goals, as modified by subsection (f) of this Section and as compared to the deemed baseline of 88,000,000 MWhs of electric power and energy sales set forth in subsection (b), as reduced by the number of MWhs equal to the sum of the annual consumption of customers that have opted out of ~~are exempt from~~ subsections (a) through (j) of this Section under paragraph (1) of subsection (l) of this Section as averaged across the calendar years 2014, 2015, and 2016, through the implementation of energy efficiency measures during the applicable year and in prior years, but no earlier than January 1, 2012:

(1) 7.8% cumulative persisting annual savings for the year ending December 31, 2018;

(2) 9.1% cumulative persisting annual savings for the year ending December 31, 2019;

(3) 10.4% cumulative persisting annual savings for the year ending December 31, 2020;

(4) 11.8% cumulative persisting annual savings for the

year ending December 31, 2021;

(5) 13.1% cumulative persisting annual savings for the year ending December 31, 2022;

(6) 14.4% cumulative persisting annual savings for the year ending December 31, 2023;

(7) 15.7% cumulative persisting annual savings for the year ending December 31, 2024;

(8) 17% cumulative persisting annual savings for the year ending December 31, 2025;

(9) 17.9% cumulative persisting annual savings for the year ending December 31, 2026;

(10) 18.8% cumulative persisting annual savings for the year ending December 31, 2027;

(11) 19.7% cumulative persisting annual savings for the year ending December 31, 2028;

(12) 20.6% cumulative persisting annual savings for the year ending December 31, 2029; and

(13) 21.5% cumulative persisting annual savings for the year ending December 31, 2030.

No later than December 31, 2021, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2031 through 2035. No later than December 31, 2024, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2036 through 2040. The Commission shall also establish additional cumulative persisting annual savings

goals every 5 years thereafter to ensure that utilities always have goals that extend at least 11 years into the future. The cumulative persisting annual savings goals beyond the year 2030 shall increase by 0.9 percentage points per year, absent a Commission decision to initiate a proceeding to consider establishing goals that increase by more or less than that amount. Such a proceeding must be conducted in accordance with the procedures described in subsection (f) of this Section. If such a proceeding is initiated, the cumulative persisting annual savings goals established by the Commission through that proceeding shall reflect the Commission's best estimate of the maximum amount of additional savings that are forecast to be cost-effectively achievable unless such best estimates would result in goals that represent less than 0.5 percentage point annual increases in total cumulative persisting annual savings. The Commission may only establish goals that represent less than 0.5 percentage point annual increases in cumulative persisting annual savings if it can demonstrate, based on clear and convincing evidence and through independent analysis, that 0.5 percentage point increases are not cost-effectively achievable. The Commission shall inform its decision based on an energy efficiency potential study that conforms to the requirements of this Section.

(b-10) For purposes of this Section, electric utilities subject to this Section that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State

shall be deemed to have achieved a cumulative persisting annual savings of 6.6% from energy efficiency measures and programs implemented during the period beginning January 1, 2012 and ending December 31, 2017, which is based on the deemed average weather normalized sales of electric power and energy during calendar years 2014, 2015, and 2016 of 36,900,000 MWhs. For the purposes of this subsection (b-10) and subsection (b-15), the 36,900,000 MWhs of deemed electric power and energy sales shall be reduced by the number of MWhs equal to the sum of the annual consumption of customers that have opted out of ~~are exempt from~~ subsections (a) through (j) of this Section under paragraph (1) of subsection (l) of this Section, as averaged across the calendar years 2014, 2015, and 2016. After 2017, the deemed value of cumulative persisting annual savings from energy efficiency measures and programs implemented during the period beginning January 1, 2012 and ending December 31, 2017, shall be reduced each year, as follows, and the applicable value shall be applied to and count toward the utility's achievement of the cumulative persisting annual savings goals set forth in subsection (b-15):

(1) 5.8% deemed cumulative persisting annual savings for the year ending December 31, 2018;

(2) 5.2% deemed cumulative persisting annual savings for the year ending December 31, 2019;

(3) 4.5% deemed cumulative persisting annual savings

for the year ending December 31, 2020;

(4) 4.0% deemed cumulative persisting annual savings for the year ending December 31, 2021;

(5) 3.5% deemed cumulative persisting annual savings for the year ending December 31, 2022;

(6) 3.1% deemed cumulative persisting annual savings for the year ending December 31, 2023;

(7) 2.8% deemed cumulative persisting annual savings for the year ending December 31, 2024;

(8) 2.5% deemed cumulative persisting annual savings for the year ending December 31, 2025;

(9) 2.3% deemed cumulative persisting annual savings for the year ending December 31, 2026;

(10) 2.1% deemed cumulative persisting annual savings for the year ending December 31, 2027;

(11) 1.8% deemed cumulative persisting annual savings for the year ending December 31, 2028;

(12) 1.7% deemed cumulative persisting annual savings for the year ending December 31, 2029; ~~and~~

(13) 1.5% deemed cumulative persisting annual savings for the year ending December 31, 2030;~~.~~

(14) 1.3% deemed cumulative persisting annual savings for the year ending December 31, 2031;

(15) 1.1% deemed cumulative persisting annual savings for the year ending December 31, 2032;

(16) 0.9% deemed cumulative persisting annual savings

for the year ending December 31, 2033;

(17) 0.7% deemed cumulative persisting annual savings for the year ending December 31, 2034;

(18) 0.5% deemed cumulative persisting annual savings for the year ending December 31, 2035;

(19) 0.4% deemed cumulative persisting annual savings for the year ending December 31, 2036;

(20) 0.3% deemed cumulative persisting annual savings for the year ending December 31, 2037;

(21) 0.2% deemed cumulative persisting annual savings for the year ending December 31, 2038;

(22) 0.1% deemed cumulative persisting annual savings for the year ending December 31, 2039; and

(23) 0.0% deemed cumulative persisting annual savings for the year ending December 31, 2040 and all subsequent years.

(b-15) Beginning in 2018, electric utilities subject to this Section that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall achieve the following cumulative persisting annual savings goals, as modified by subsection (b-20) and subsection (f) of this Section and as compared to the deemed baseline as reduced by the number of MWhs equal to the sum of the annual consumption of customers that have opted out of ~~are exempt from~~ subsections (a) through (j) of this Section under paragraph (1) of subsection (l) of this Section as averaged

across the calendar years 2014, 2015, and 2016, through the implementation of energy efficiency measures during the applicable year and in prior years, but no earlier than January 1, 2012:

(1) 7.4% cumulative persisting annual savings for the year ending December 31, 2018;

(2) 8.2% cumulative persisting annual savings for the year ending December 31, 2019;

(3) 9.0% cumulative persisting annual savings for the year ending December 31, 2020;

(4) 9.8% cumulative persisting annual savings for the year ending December 31, 2021;

(5) 10.6% cumulative persisting annual savings for the year ending December 31, 2022;

(6) 11.4% cumulative persisting annual savings for the year ending December 31, 2023;

(7) 12.2% cumulative persisting annual savings for the year ending December 31, 2024;

(8) 13% cumulative persisting annual savings for the year ending December 31, 2025;

(9) 13.6% cumulative persisting annual savings for the year ending December 31, 2026;

(10) 14.2% cumulative persisting annual savings for the year ending December 31, 2027;

(11) 14.8% cumulative persisting annual savings for the year ending December 31, 2028;

(12) 15.4% cumulative persisting annual savings for the year ending December 31, 2029; and

(13) 16% cumulative persisting annual savings for the year ending December 31, 2030.

No later than December 31, 2021, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2031 through 2035. No later than December 31, 2024, the Illinois Commerce Commission shall establish additional cumulative persisting annual savings goals for the years 2036 through 2040. The Commission shall also establish additional cumulative persisting annual savings goals every 5 years thereafter to ensure that utilities always have goals that extend at least 11 years into the future. The cumulative persisting annual savings goals beyond the year 2030 shall increase by 0.6 percentage points per year, absent a Commission decision to initiate a proceeding to consider establishing goals that increase by more or less than that amount. Such a proceeding must be conducted in accordance with the procedures described in subsection (f) of this Section. If such a proceeding is initiated, the cumulative persisting annual savings goals established by the Commission through that proceeding shall reflect the Commission's best estimate of the maximum amount of additional savings that are forecast to be cost-effectively achievable unless such best estimates would result in goals that represent less than 0.4 percentage point annual increases in total cumulative persisting annual

savings. The Commission may only establish goals that represent less than 0.4 percentage point annual increases in cumulative persisting annual savings if it can demonstrate, based on clear and convincing evidence and through independent analysis, that 0.4 percentage point increases are not cost-effectively achievable. The Commission shall inform its decision based on an energy efficiency potential study that conforms to the requirements of this Section.

~~The difference between the cumulative persisting annual savings goal for the applicable calendar year and the cumulative persisting annual savings goal for the immediately preceding calendar year is 0.8% for the period of January 1, 2018 through December 31, 2025 and 0.6% for the period of January 1, 2026 through December 31, 2030.~~

(b-20) Each electric utility subject to this Section may include cost-effective voltage optimization measures in its plans submitted under subsections (f) and (g) of this Section, and the costs incurred by a utility to implement the measures under a Commission-approved plan shall be recovered under the provisions of Article IX or Section 16-108.5 of this Act. For purposes of this Section, the measure life of voltage optimization measures shall be 15 years. The measure life period is independent of the depreciation rate of the voltage optimization assets deployed. Utilities may claim savings from voltage optimization on circuits for more than 15 years if they can demonstrate that they have made additional

investments necessary to enable voltage optimization savings to continue beyond 15 years. Such demonstrations must be subject to the review of independent evaluation.

Within 270 days after June 1, 2017 (the effective date of Public Act 99-906), an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall file a plan with the Commission that identifies the cost-effective voltage optimization investment the electric utility plans to undertake through December 31, 2024. The Commission, after notice and hearing, shall approve or approve with modification the plan within 120 days after the plan's filing and, in the order approving or approving with modification the plan, the Commission shall adjust the applicable cumulative persisting annual savings goals set forth in subsection (b-15) to reflect any amount of cost-effective energy savings approved by the Commission that is greater than or less than the following cumulative persisting annual savings values attributable to voltage optimization for the applicable year:

(1) 0.0% of cumulative persisting annual savings for the year ending December 31, 2018;

(2) 0.17% of cumulative persisting annual savings for the year ending December 31, 2019;

(3) 0.17% of cumulative persisting annual savings for the year ending December 31, 2020;

(4) 0.33% of cumulative persisting annual savings for

the year ending December 31, 2021;

(5) 0.5% of cumulative persisting annual savings for the year ending December 31, 2022;

(6) 0.67% of cumulative persisting annual savings for the year ending December 31, 2023;

(7) 0.83% of cumulative persisting annual savings for the year ending December 31, 2024; and

(8) 1.0% of cumulative persisting annual savings for the year ending December 31, 2025 and all subsequent years.

(b-25) In the event an electric utility jointly offers an energy efficiency measure or program with a gas utility under plans approved under this Section and Section 8-104 of this Act, the electric utility may continue offering the program, including the gas energy efficiency measures, in the event the gas utility discontinues funding the program. In that event, the energy savings value associated with such other fuels shall be converted to electric energy savings on an equivalent Btu basis for the premises. However, the electric utility shall prioritize programs for low-income residential customers to the extent practicable. An electric utility may recover the costs of offering the gas energy efficiency measures under this subsection (b-25).

For those energy efficiency measures or programs that save both electricity and other fuels but are not jointly offered with a gas utility under plans approved under this Section and

Section 8-104 or not offered with an affiliated gas utility under paragraph (6) of subsection (f) of Section 8-104 of this Act, the electric utility may count savings of fuels other than electricity toward the achievement of its annual savings goal, and the energy savings value associated with such other fuels shall be converted to electric energy savings on an equivalent Btu basis at the premises.

In no event shall more than 10% of each year's applicable annual total savings requirement ~~incremental goal~~ as defined in paragraph (7.5) ~~(7)~~ of subsection (g) of this Section be met through savings of fuels other than electricity.

(b-27) Beginning in 2022, an electric utility may offer and promote measures that electrify space heating, water heating, cooling, drying, cooking, industrial processes, and other building and industrial end uses that would otherwise be served by combustion of fossil fuel at the premises, provided that the electrification measures reduce total energy consumption at the premises. The electric utility may count the reduction in energy consumption at the premises toward achievement of its annual savings goals. The reduction in energy consumption at the premises shall be calculated as the difference between: (A) the reduction in Btu consumption of fossil fuels as a result of electrification, converted to kilowatt-hour equivalents by dividing by 3,412 Btu's per kilowatt hour; and (B) the increase in kilowatt hours of electricity consumption resulting from the displacement of

fossil fuel consumption as a result of electrification. An electric utility may recover the costs of offering and promoting electrification measures under this subsection (b-27).

In no event shall electrification savings counted toward each year's applicable annual total savings requirement, as defined in paragraph (7.5) of subsection (g) of this Section, be greater than:

(1) 5% per year for each year from 2022 through 2025;

(2) 10% per year for each year from 2026 through 2029; and

(3) 15% per year for 2030 and all subsequent years.

In addition, a minimum of 25% of all electrification savings counted toward a utility's applicable annual total savings requirement must be from electrification of end uses in low-income housing. The limitations on electrification savings that may be counted toward a utility's annual savings goals are separate from and in addition to the subsection (b-25) limitations governing the counting of the other fuel savings resulting from efficiency measures and programs.

As part of the annual informational filing to the Commission that is required under paragraph (9) of subsection (g) of this Section, each utility shall identify the specific electrification measures offered under this subjection (b-27); the quantity of each electrification measure that was installed by its customers; the average total cost, average

utility cost, average reduction in fossil fuel consumption, and average increase in electricity consumption associated with each electrification measure; the portion of installations of each electrification measure that were in low-income single-family housing, low-income multifamily housing, non-low-income single-family housing, non-low-income multifamily housing, commercial buildings, and industrial facilities; and the quantity of savings associated with each measure category in each customer category that are being counted toward the utility's applicable annual total savings requirement. Prior to installing an electrification measure, the utility shall provide a customer with an estimate of the impact of the new measure on the customer's average monthly electric bill and total annual energy expenses.

(c) Electric utilities shall be responsible for overseeing the design, development, and filing of energy efficiency plans with the Commission and may, as part of that implementation, outsource various aspects of program development and implementation. A minimum of 10%, for electric utilities that serve more than 3,000,000 retail customers in the State, and a minimum of 7%, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, of the utility's entire portfolio funding level for a given year shall be used to procure cost-effective energy efficiency measures from units of local government, municipal corporations, school districts, public

housing, and community college districts, provided that a minimum percentage of available funds shall be used to procure energy efficiency from public housing, which percentage shall be equal to public housing's share of public building energy consumption.

The utilities shall also implement energy efficiency measures targeted at low-income households, which, for purposes of this Section, shall be defined as households at or below 80% of area median income, and expenditures to implement the measures shall be no less than $40,000,000 ~~$25,000,000~~ per year for electric utilities that serve more than 3,000,000 retail customers in the State and no less than $13,000,000 ~~$8,350,000~~ per year for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State. The ratio of spending on efficiency programs targeted at low-income multifamily buildings to spending on efficiency programs targeted at low-income single-family buildings shall be designed to achieve levels of savings from each building type that are approximately proportional to the magnitude of cost-effective lifetime savings potential in each building type. Investment in low-income whole-building weatherization programs shall constitute a minimum of 80% of a utility's total budget specifically dedicated to serving low-income customers.

The utilities shall work to bundle low-income energy efficiency offerings with other programs that serve low-income

households to maximize the benefits going to these households. The utilities shall market and implement low-income energy efficiency programs in coordination with low-income assistance programs, the Illinois Solar for All Program, and weatherization whenever practicable. The program implementer shall walk the customer through the enrollment process for any programs for which the customer is eligible. The utilities shall also pilot targeting customers with high arrearages, high energy intensity (ratio of energy usage divided by home or unit square footage), or energy assistance programs with energy efficiency offerings, and then track reduction in arrearages as a result of the targeting. This targeting and bundling of low-income energy programs shall be offered to both low-income single-family and multifamily customers (owners and residents).

The utilities shall invest in health and safety measures appropriate and necessary for comprehensively weatherizing a home or multifamily building, and shall implement a health and safety fund of at least 15% of the total income-qualified weatherization budget that shall be used for the purpose of making grants for technical assistance, construction, reconstruction, improvement, or repair of buildings to facilitate their participation in the energy efficiency programs targeted at low-income single-family and multifamily households. These funds may also be used for the purpose of making grants for technical assistance, construction,

reconstruction, improvement, or repair of the following buildings to facilitate their participation in the energy efficiency programs created by this Section: (1) buildings that are owned or operated by registered 501(c)(3) public charities; and (2) day care centers, day care homes, or group day care homes, as defined under 89 Ill. Adm. Code Part 406, 407, or 408, respectively.

Each electric utility shall assess opportunities to implement cost-effective energy efficiency measures and programs through a public housing authority or authorities located in its service territory. If such opportunities are identified, the utility shall propose such measures and programs to address the opportunities. Expenditures to address such opportunities shall be credited toward the minimum procurement and expenditure requirements set forth in this subsection (c).

Implementation of energy efficiency measures and programs targeted at low-income households should be contracted, when it is practicable, to independent third parties that have demonstrated capabilities to serve such households, with a preference for not-for-profit entities and government agencies that have existing relationships with or experience serving low-income communities in the State.

Each electric utility shall develop and implement reporting procedures that address and assist in determining the amount of energy savings that can be applied to the

low-income procurement and expenditure requirements set forth in this subsection (c). Each electric utility shall also track the types and quantities or volumes of insulation and air sealing materials, and their associated energy saving benefits, installed in energy efficiency programs targeted at low-income single-family and multifamily households.

The electric utilities shall participate in ~~also convene~~ a low-income energy efficiency accountability ~~advisory~~ committee ("the committee"), which will directly inform ~~to assist in~~ the design, implementation, and evaluation of the low-income and public-housing energy efficiency programs. The committee shall be comprised of the electric utilities subject to the requirements of this Section, the gas utilities subject to the requirements of Section 8-104 of this Act, the utilities' low-income energy efficiency implementation contractors, nonprofit organizations, community action agencies, advocacy groups, State and local governmental agencies, public-housing organizations, and representatives of community-based organizations, especially those living in or working with environmental justice communities and BIPOC communities. The committee shall be composed of 2 geographically differentiated subcommittees: one for stakeholders in northern Illinois and one for stakeholders in central and southern Illinois. The subcommittees shall meet together at least twice per year.

There shall be one statewide leadership committee led by and composed of community-based organizations that are

representative of BIPOC and environmental justice communities and that includes equitable representation from BIPOC communities. The leadership committee shall be composed of an equal number of representatives from the 2 subcommittees. The subcommittees shall address specific programs and issues, with the leadership committee convening targeted workgroups as needed. The leadership committee may elect to work with an independent facilitator to solicit and organize feedback, recommendations and meeting participation from a wide variety of community-based stakeholders. If a facilitator is used, they shall be fair and responsive to the needs of all stakeholders involved in the committee.

All committee meetings must be accessible, with rotating locations if meetings are held in-person, virtual participation options, and materials and agendas circulated in advance.

There shall also be opportunities for direct input by committee members outside of committee meetings, such as via individual meetings, surveys, emails and calls, to ensure robust participation by stakeholders with limited capacity and ability to attend committee meetings. Committee meetings shall emphasize opportunities to bundle and coordinate delivery of low-income energy efficiency with other programs that serve low-income communities, such as the Illinois Solar for All Program and bill payment assistance programs. Meetings shall include educational opportunities for stakeholders to learn

more about these additional offerings, and the committee shall assist in figuring out the best methods for coordinated delivery and implementation of offerings when serving low-income communities. The committee shall directly and equitably influence and inform utility low-income and public-housing energy efficiency programs and priorities. Participating utilities shall implement recommendations from the committee whenever possible.

Participating utilities shall track and report how input from the committee has led to new approaches and changes in their energy efficiency portfolios. This reporting shall occur at committee meetings and in quarterly energy efficiency reports to the Stakeholder Advisory Group and Illinois Commerce Commission, and other relevant reporting mechanisms. Participating utilities shall also report on relevant equity data and metrics requested by the committee, such as energy burden data, geographic, racial, and other relevant demographic data on where programs are being delivered and what populations programs are serving.

The Illinois Commerce Commission shall oversee and have relevant staff participate in the committee. The committee shall have a budget of 0.25% of each utility's entire efficiency portfolio funding for a given year. The budget shall be overseen by the Commission. The budget shall be used to provide grants for community-based organizations serving on the leadership committee, stipends for community-based

organizations participating in the committee, grants for community-based organizations to do energy efficiency outreach and education, and relevant meeting needs as determined by the leadership committee. The education and outreach shall include, but is not limited to, basic energy efficiency education, information about low-income energy efficiency programs, and information on the committee's purpose, structure, and activities.

(d) Notwithstanding any other provision of law to the contrary, a utility providing approved energy efficiency measures and, if applicable, demand-response measures in the State shall be permitted to recover all reasonable and prudently incurred costs of those measures from all retail customers, except as provided in subsection (l) of this Section, as follows, provided that nothing in this subsection (d) permits the double recovery of such costs from customers:

(1) The utility may recover its costs through an automatic adjustment clause tariff filed with and approved by the Commission. The tariff shall be established outside the context of a general rate case. Each year the Commission shall initiate a review to reconcile any amounts collected with the actual costs and to determine the required adjustment to the annual tariff factor to match annual expenditures. To enable the financing of the incremental capital expenditures, including regulatory assets, for electric utilities that serve less than

3,000,000 retail customers but more than 500,000 retail customers in the State, the utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital structure shall be deemed reasonable and used to set rates.

(2) A utility may recover its costs through an energy efficiency formula rate approved by the Commission under a filing under subsections (f) and (g) of this Section, which shall specify the cost components that form the basis of the rate charged to customers with sufficient specificity to operate in a standardized manner and be updated annually with transparent information that reflects the utility's actual costs to be recovered during the applicable rate year, which is the period beginning with the first billing day of January and extending through the last billing day of the following December. The energy efficiency formula rate shall be implemented through a tariff filed with the Commission under subsections (f) and (g) of this Section that is consistent with the provisions of this paragraph (2) and that shall be applicable to all delivery services customers. The Commission shall conduct an investigation of the tariff in a manner consistent with the provisions of this paragraph (2), subsections (f) and (g) of this Section, and the provisions of Article IX of this Act to the extent they do

not conflict with this paragraph (2). The energy efficiency formula rate approved by the Commission shall remain in effect at the discretion of the utility and shall do the following:

(A) Provide for the recovery of the utility's actual costs incurred under this Section that are prudently incurred and reasonable in amount consistent with Commission practice and law. The sole fact that a cost differs from that incurred in a prior calendar year or that an investment is different from that made in a prior calendar year shall not imply the imprudence or unreasonableness of that cost or investment.

(B) Reflect the utility's actual year-end capital structure for the applicable calendar year, excluding goodwill, subject to a determination of prudence and reasonableness consistent with Commission practice and law. To enable the financing of the incremental capital expenditures, including regulatory assets, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, a participating electric utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital structure shall be deemed reasonable and used to set rates.

(C) Include a cost of equity, which shall be calculated as the sum of the following:

(i) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication; and

(ii) 580 basis points.

At such time as the Board of Governors of the Federal Reserve System ceases to include the monthly average yields of 30-year U.S. Treasury bonds in its weekly H.15 Statistical Release or successor publication, the monthly average yields of the U.S. Treasury bonds then having the longest duration published by the Board of Governors in its weekly H.15 Statistical Release or successor publication shall instead be used for purposes of this paragraph (2).

(D) Permit and set forth protocols, subject to a determination of prudence and reasonableness consistent with Commission practice and law, for the following:

(i) recovery of incentive compensation expense that is based on the achievement of operational metrics, including metrics related to budget controls, outage duration and frequency, safety, customer service, efficiency and productivity, and

environmental compliance; however, this protocol shall not apply if such expense related to costs incurred under this Section is recovered under Article IX or Section 16-108.5 of this Act; incentive compensation expense that is based on net income or an affiliate's earnings per share shall not be recoverable under the energy efficiency formula rate;

(ii) recovery of pension and other post-employment benefits expense, provided that such costs are supported by an actuarial study; however, this protocol shall not apply if such expense related to costs incurred under this Section is recovered under Article IX or Section 16-108.5 of this Act;

(iii) recovery of existing regulatory assets over the periods previously authorized by the Commission;

(iv) as described in subsection (e), amortization of costs incurred under this Section; and

(v) projected, weather normalized billing determinants for the applicable rate year.

(E) Provide for an annual reconciliation, as described in paragraph (3) of this subsection (d), less any deferred taxes related to the reconciliation,

with interest at an annual rate of return equal to the utility's weighted average cost of capital, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return, of the energy efficiency revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its energy efficiency formula rate tariff under this paragraph (2), with what the revenue requirement would have been had the actual cost information for the applicable calendar year been available at the filing date.

The utility shall file, together with its tariff, the projected costs to be incurred by the utility during the rate year under the utility's multi-year plan approved under subsections (f) and (g) of this Section, including, but not limited to, the projected capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense, that shall populate the energy efficiency formula rate and set the initial rates under the formula.

The Commission shall review the proposed tariff in conjunction with its review of a proposed multi-year plan, as specified in paragraph (5) of subsection (g) of this Section. The review shall be based on the same evidentiary

standards, including, but not limited to, those concerning the prudence and reasonableness of the costs incurred by the utility, the Commission applies in a hearing to review a filing for a general increase in rates under Article IX of this Act. The initial rates shall take effect beginning with the January monthly billing period following the Commission's approval.

The tariff's rate design and cost allocation across customer classes shall be consistent with the utility's automatic adjustment clause tariff in effect on June 1, 2017 (the effective date of Public Act 99-906); however, the Commission may revise the tariff's rate design and cost allocation in subsequent proceedings under paragraph (3) of this subsection (d).

If the energy efficiency formula rate is terminated, the then current rates shall remain in effect until such time as the energy efficiency costs are incorporated into new rates that are set under this subsection (d) or Article IX of this Act, subject to retroactive rate adjustment, with interest, to reconcile rates charged with actual costs.

(3) The provisions of this paragraph (3) shall only apply to an electric utility that has elected to file an energy efficiency formula rate under paragraph (2) of this subsection (d). Subsequent to the Commission's issuance of an order approving the utility's energy efficiency formula

rate structure and protocols, and initial rates under paragraph (2) of this subsection (d), the utility shall file, on or before June 1 of each year, with the Chief Clerk of the Commission its updated cost inputs to the energy efficiency formula rate for the applicable rate year and the corresponding new charges, as well as the information described in paragraph (9) of subsection (g) of this Section. Each such filing shall conform to the following requirements and include the following information:

(A) The inputs to the energy efficiency formula rate for the applicable rate year shall be based on the projected costs to be incurred by the utility during the rate year under the utility's multi-year plan approved under subsections (f) and (g) of this Section, including, but not limited to, projected capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense. The filing shall also include a reconciliation of the energy efficiency revenue requirement that was in effect for the prior rate year (as set by the cost inputs for the prior rate year) with the actual revenue requirement for the prior rate year (determined using a year-end rate base) that uses amounts reflected in the applicable FERC Form 1 that

reports the actual costs for the prior rate year. Any over-collection or under-collection indicated by such reconciliation shall be reflected as a credit against, or recovered as an additional charge to, respectively, with interest calculated at a rate equal to the utility's weighted average cost of capital approved by the Commission for the prior rate year, the charges for the applicable rate year. Such over-collection or under-collection shall be adjusted to remove any deferred taxes related to the reconciliation, for purposes of calculating interest at an annual rate of return equal to the utility's weighted average cost of capital approved by the Commission for the prior rate year, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return. Each reconciliation shall be certified by the participating utility in the same manner that FERC Form 1 is certified. The filing shall also include the charge or credit, if any, resulting from the calculation required by subparagraph (E) of paragraph (2) of this subsection (d).

Notwithstanding any other provision of law to the contrary, the intent of the reconciliation is to ultimately reconcile both the revenue requirement reflected in rates for each calendar year, beginning

with the calendar year in which the utility files its energy efficiency formula rate tariff under paragraph (2) of this subsection (d), with what the revenue requirement determined using a year-end rate base for the applicable calendar year would have been had the actual cost information for the applicable calendar year been available at the filing date.

For purposes of this Section, "FERC Form 1" means the Annual Report of Major Electric Utilities, Licensees and Others that electric utilities are required to file with the Federal Energy Regulatory Commission under the Federal Power Act, Sections 3, 4(a), 304 and 209, modified as necessary to be consistent with 83 Ill. Admin. Code Part 415 as of May 1, 2011. Nothing in this Section is intended to allow costs that are not otherwise recoverable to be recoverable by virtue of inclusion in FERC Form 1.

(B) The new charges shall take effect beginning on the first billing day of the following January billing period and remain in effect through the last billing day of the next December billing period regardless of whether the Commission enters upon a hearing under this paragraph (3).

(C) The filing shall include relevant and necessary data and documentation for the applicable rate year. Normalization adjustments shall not be

required.

Within 45 days after the utility files its annual update of cost inputs to the energy efficiency formula rate, the Commission shall with reasonable notice, initiate a proceeding concerning whether the projected costs to be incurred by the utility and recovered during the applicable rate year, and that are reflected in the inputs to the energy efficiency formula rate, are consistent with the utility's approved multi-year plan under subsections (f) and (g) of this Section and whether the costs incurred by the utility during the prior rate year were prudent and reasonable. The Commission shall also have the authority to investigate the information and data described in paragraph (9) of subsection (g) of this Section, including the proposed adjustment to the utility's return on equity component of its weighted average cost of capital. During the course of the proceeding, each objection shall be stated with particularity and evidence provided in support thereof, after which the utility shall have the opportunity to rebut the evidence. Discovery shall be allowed consistent with the Commission's Rules of Practice, which Rules of Practice shall be enforced by the Commission or the assigned administrative law judge. The Commission shall apply the same evidentiary standards, including, but not limited to, those concerning the prudence and

reasonableness of the costs incurred by the utility, during the proceeding as it would apply in a proceeding to review a filing for a general increase in rates under Article IX of this Act. The Commission shall not, however, have the authority in a proceeding under this paragraph (3) to consider or order any changes to the structure or protocols of the energy efficiency formula rate approved under paragraph (2) of this subsection (d). In a proceeding under this paragraph (3), the Commission shall enter its order no later than the earlier of 195 days after the utility's filing of its annual update of cost inputs to the energy efficiency formula rate or December 15. The utility's proposed return on equity calculation, as described in paragraphs (7) through (9) of subsection (g) of this Section, shall be deemed the final, approved calculation on December 15 of the year in which it is filed unless the Commission enters an order on or before December 15, after notice and hearing, that modifies such calculation consistent with this Section. The Commission's determinations of the prudence and reasonableness of the costs incurred, and determination of such return on equity calculation, for the applicable calendar year shall be final upon entry of the Commission's order and shall not be subject to reopening, reexamination, or collateral attack in any other Commission proceeding, case, docket, order, rule, or regulation; however, nothing in this

paragraph (3) shall prohibit a party from petitioning the Commission to rehear or appeal to the courts the order under the provisions of this Act.

(e) Beginning on June 1, 2017 (the effective date of Public Act 99-906), a utility subject to the requirements of this Section may elect to defer, as a regulatory asset, up to the full amount of its expenditures incurred under this Section for each annual period, including, but not limited to, any expenditures incurred above the funding level set by subsection (f) of this Section for a given year. The total expenditures deferred as a regulatory asset in a given year shall be amortized and recovered over a period that is equal to the weighted average of the energy efficiency measure lives implemented for that year that are reflected in the regulatory asset. The unamortized balance shall be recognized as of December 31 for a given year. The utility shall also earn a return on the total of the unamortized balances of all of the energy efficiency regulatory assets, less any deferred taxes related to those unamortized balances, at an annual rate equal to the utility's weighted average cost of capital that includes, based on a year-end capital structure, the utility's actual cost of debt for the applicable calendar year and a cost of equity, which shall be calculated as the sum of the (i) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly

H.15 Statistical Release or successor publication; and (ii) 580 basis points, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return. Capital investment costs shall be depreciated and recovered over their useful lives consistent with generally accepted accounting principles. The weighted average cost of capital shall be applied to the capital investment cost balance, less any accumulated depreciation and accumulated deferred income taxes, as of December 31 for a given year.

When an electric utility creates a regulatory asset under the provisions of this Section, the costs are recovered over a period during which customers also receive a benefit which is in the public interest. Accordingly, it is the intent of the General Assembly that an electric utility that elects to create a regulatory asset under the provisions of this Section shall recover all of the associated costs as set forth in this Section. After the Commission has approved the prudence and reasonableness of the costs that comprise the regulatory asset, the electric utility shall be permitted to recover all such costs, and the value and recoverability through rates of the associated regulatory asset shall not be limited, altered, impaired, or reduced.

(f) Beginning in 2017, each electric utility shall file an energy efficiency plan with the Commission to meet the energy efficiency standards for the next applicable multi-year period

beginning January 1 of the year following the filing, according to the schedule set forth in paragraphs (1) through (3) of this subsection (f). If a utility does not file such a plan on or before the applicable filing deadline for the plan, it shall face a penalty of $100,000 per day until the plan is filed.

(1) No later than 30 days after June 1, 2017 (the effective date of Public Act 99-906), each electric utility shall file a 4-year energy efficiency plan commencing on January 1, 2018 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (1) through (4) of subsection (b-5) of this Section or in paragraphs (1) through (4) of subsection (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if the utility's expenditures are limited pursuant to subsection (m) of this Section or, for a utility that serves less than 3,000,000 retail customers, if each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate that achievement of such goals is not cost effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual

amount of savings required to achieve the goals for the applicable 4-year plan period. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

(2) No later than March 1, 2021, each electric utility shall file a 4-year energy efficiency plan commencing on January 1, 2022 that is designed to achieve the cumulative persisting annual savings goals specified in paragraphs (5) through (8) of subsection (b-5) of this Section or in paragraphs (5) through (8) of subsection (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if either (1) clear and convincing evidence demonstrates, through independent analysis, that the expenditure limits in subsection (m) of this Section preclude full achievement of the goals or (2) ~~the utility's expenditures are limited pursuant to subsection (m) of this Section or,~~ each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire

energy savings demonstrate by clear and convincing evidence and through independent analysis that achievement of such goals is not cost effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. If there is not clear and convincing evidence that achieving the savings goals specified in paragraph (b-5) or (b-15) of this Section is possible both cost-effectively and within the expenditure limits in subsection (m), such savings goals shall not be reduced. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

(3) No later than March 1, 2025, each electric utility shall file a 4-year ~~5-year~~ energy efficiency plan commencing on January 1, 2026 that is designed to achieve the cumulative persisting annual savings goals specified

in paragraphs (9) through (12) ~~(13)~~ of subsection (b-5) of this Section or in paragraphs (9) through (12) ~~(13)~~ of subsection (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if either (1) clear and convincing evidence demonstrates, through independent analysis, that the expenditure limits in subsection (m) of this Section preclude full achievement of the goals or (2) ~~the utility's expenditures are limited pursuant to subsection (m) of this Section or,~~ each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate by clear and convincing evidence and through independent analysis that achievement of such goals is not cost effective; and (B) the amount of energy savings achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year ~~5-year~~ plan period. If there is not clear and convincing evidence that achieving the savings goals specified in paragraphs (b-5) or (b-15) of this Section is possible both cost-effectively and within the expenditure limits in subsection (m), such savings goals shall not be reduced. Except as provided in subsection (m) of this Section, annual increases in

cumulative persisting annual savings goals during the applicable 4-year ~~5-year~~ plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year ~~5 year~~ plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

(4) No later than March 1, 2029, and every 4 years thereafter, each electric utility shall file a 4-year energy efficiency plan commencing on January 1, 2030, and every 4 years thereafter, respectively, that is designed to achieve the cumulative persisting annual savings goals established by the Illinois Commerce Commission pursuant to direction of subsections (b-5) and (b-15) of this Section, as applicable, through implementation of energy efficiency measures; however, the goals may be reduced if either (1) clear and convincing evidence and independent analysis demonstrates that the expenditure limits in subsection (m) of this Section preclude full achievement of the goals or (2) each of the following conditions are met: (A) the plan's analysis and forecasts of the utility's ability to acquire energy savings demonstrate by clear and convincing evidence and through independent analysis that achievement of such goals is not cost-effective; and (B) the amount of energy savings

achieved by the utility as determined by the independent evaluator for the most recent year for which savings have been evaluated preceding the plan filing was less than the average annual amount of savings required to achieve the goals for the applicable 4-year plan period. If there is not clear and convincing evidence that achieving the savings goals specified in paragraphs (b-5) or (b-15) of this Section is possible both cost-effectively and within the expenditure limits in subsection (m), such savings goals shall not be reduced. Except as provided in subsection (m) of this Section, annual increases in cumulative persisting annual savings goals during the applicable 4-year plan period shall not be reduced to amounts that are less than the maximum amount of cumulative persisting annual savings that is forecast to be cost-effectively achievable during the 4-year plan period. The Commission shall review any proposed goal reduction as part of its review and approval of the utility's proposed plan.

Each utility's plan shall set forth the utility's proposals to meet the energy efficiency standards identified in subsection (b-5) or (b-15), as applicable and as such standards may have been modified under this subsection (f), taking into account the unique circumstances of the utility's service territory. For those plans commencing on January 1, 2018, the Commission shall seek public comment on the

utility's plan and shall issue an order approving or disapproving each plan no later than 105 days after June 1, 2017 (the effective date of Public Act 99-906). For those plans commencing after December 31, 2021, the Commission shall seek public comment on the utility's plan and shall issue an order approving or disapproving each plan within 6 months after its submission. If the Commission disapproves a plan, the Commission shall, within 30 days, describe in detail the reasons for the disapproval and describe a path by which the utility may file a revised draft of the plan to address the Commission's concerns satisfactorily. If the utility does not refile with the Commission within 60 days, the utility shall be subject to penalties at a rate of $100,000 per day until the plan is filed. This process shall continue, and penalties shall accrue, until the utility has successfully filed a portfolio of energy efficiency and demand-response measures. Penalties shall be deposited into the Energy Efficiency Trust Fund.

(g) In submitting proposed plans and funding levels under subsection (f) of this Section to meet the savings goals identified in subsection (b-5) or (b-15) of this Section, as applicable, the utility shall:

(1) Demonstrate that its proposed energy efficiency measures will achieve the applicable requirements that are identified in subsection (b-5) or (b-15) of this Section, as modified by subsection (f) of this Section.

(2) (Blank). ~~Present specific proposals to implement new building and appliance standards that have been placed into effect.~~

(2.5) Demonstrate consideration of program options for (A) advancing new building codes, appliance standards, and municipal regulations governing existing and new building efficiency improvements and (B) supporting efforts to improve compliance with new building codes, appliance standards and municipal regulations, as potentially cost-effective means of acquiring energy savings to count toward savings goals.

(3) Demonstrate that its overall portfolio of measures, not including low-income programs described in subsection (c) of this Section, is cost-effective using the total resource cost test or complies with paragraphs (1) through (3) of subsection (f) of this Section and represents a diverse cross-section of opportunities for customers of all rate classes, other than those customers described in subsection (l) of this Section, to participate in the programs. Individual measures need not be cost effective.

(3.5) Demonstrate that the utility's plan integrates the delivery of energy efficiency programs with natural gas efficiency programs, programs promoting distributed solar, programs promoting demand response and other efforts to address bill payment issues, including, but not

limited to, LIHEAP and the Percentage of Income Payment Plan, to the extent such integration is practical and has the potential to enhance customer engagement, minimize market confusion, or reduce administrative costs.

(4) Present a third-party energy efficiency implementation program subject to the following requirements:

(A) beginning with the year commencing January 1, 2019, electric utilities that serve more than 3,000,000 retail customers in the State shall fund third-party energy efficiency programs in an amount that is no less than $25,000,000 per year, and electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State shall fund third-party energy efficiency programs in an amount that is no less than $8,350,000 per year;

(B) during 2018, the utility shall conduct a solicitation process for purposes of requesting proposals from third-party vendors for those third-party energy efficiency programs to be offered during one or more of the years commencing January 1, 2019, January 1, 2020, and January 1, 2021; for those multi-year plans commencing on January 1, 2022 and January 1, 2026, the utility shall conduct a solicitation process during 2021 and 2025,

respectively, for purposes of requesting proposals from third-party vendors for those third-party energy efficiency programs to be offered during one or more years of the respective multi-year plan period; for each solicitation process, the utility shall identify the sector, technology, or geographical area for which it is seeking requests for proposals; the solicitation process must be either for programs that fill gaps in the utility's program portfolio and for programs that target low-income customers, business sectors, building types, geographies, or other specific parts of its customer base with initiatives that would be more effective at reaching these customer segments than the utilities' programs filed in its energy efficiency plans;

(C) the utility shall propose the bidder qualifications, performance measurement process, and contract structure, which must include a performance payment mechanism and general terms and conditions; the proposed qualifications, process, and structure shall be subject to Commission approval; and

(D) the utility shall retain an independent third party to score the proposals received through the solicitation process described in this paragraph (4), rank them according to their cost per lifetime kilowatt-hours saved, and assemble the portfolio of

third-party programs.

The electric utility shall recover all costs associated with Commission-approved, third-party administered programs regardless of the success of those programs.

(4.5) Implement cost-effective demand-response measures to reduce peak demand by 0.1% over the prior year for eligible retail customers, as defined in Section 16-111.5 of this Act, and for customers that elect hourly service from the utility pursuant to Section 16-107 of this Act, provided those customers have not been declared competitive. This requirement continues until December 31, 2026.

(5) Include a proposed or revised cost-recovery tariff mechanism, as provided for under subsection (d) of this Section, to fund the proposed energy efficiency and demand-response measures and to ensure the recovery of the prudently and reasonably incurred costs of Commission-approved programs.

(6) Provide for an annual independent evaluation of the performance of the cost-effectiveness of the utility's portfolio of measures, as well as a full review of the multi-year plan results of the broader net program impacts and, to the extent practical, for adjustment of the measures on a going-forward basis as a result of the evaluations. The resources dedicated to evaluation shall

not exceed 3% of portfolio resources in any given year.

(7) For electric utilities that serve more than 3,000,000 retail customers in the State:

(A) Through December 31, 2025, provide for an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section:

(i) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is less than the applicable annual incremental goal, then the return on equity component shall be reduced by a maximum of 200 basis points in the event that the utility achieved no more than 75% of such goal. If the utility achieved more than 75% of the applicable annual incremental goal but less than 100% of such goal, then the return on equity component shall be reduced by 8 basis points for each percent by which the utility failed to achieve the goal.

(ii) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is more than the applicable annual incremental goal, then the return on equity component shall be increased by a maximum of 200 basis points in the event that the utility achieved at least 125% of such goal. If the

utility achieved more than 100% of the applicable annual incremental goal but less than 125% of such goal, then the return on equity component shall be increased by 8 basis points for each percent by which the utility achieved above the goal. If the applicable annual incremental goal was reduced under paragraphs (1) or (2) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in this item (ii):

(aa) the calculation for determining achievement that is at least 125% of the applicable annual incremental goal shall use the unreduced applicable annual incremental goal to set the value; and

(bb) the calculation for determining achievement that is less than 125% but more than 100% of the applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 8 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and

125% achievement.

(B) For the period January 1, 2026 through December 31, 2029 and in all subsequent 4-year periods ~~2030~~, provide for an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section:

(i) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is less than the applicable annual incremental goal, then the return on equity component shall be reduced by a maximum of 200 basis points in the event that the utility achieved no more than 66% of such goal. If the utility achieved more than 66% of the applicable annual incremental goal but less than 100% of such goal, then the return on equity component shall be reduced by 6 basis points for each percent by which the utility failed to achieve the goal.

(ii) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is more than the applicable annual incremental goal, then the return on equity component shall be increased by a maximum of 200 basis points in the event that the utility achieved at least 134% of such goal. If the

utility achieved more than 100% of the applicable annual incremental goal but less than 134% of such goal, then the return on equity component shall be increased by 6 basis points for each percent by which the utility achieved above the goal. If the applicable annual incremental goal was reduced under paragraph (3) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in this item (ii):

(aa) the calculation for determining achievement that is at least 134% of the applicable annual incremental goal shall use the unreduced applicable annual incremental goal to set the value; and

(bb) the calculation for determining achievement that is less than 134% but more than 100% of the applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 134% achievement. The 6 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and

134% achievement.

(C) Notwithstanding the provisions of subparagraphs (A) and (B) of this paragraph (7), if the applicable annual incremental goal for an electric utility is ever less than 0.6% of deemed average weather normalized sales of electric power and energy during calendar years 2014, 2015, and 2016, an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section shall be made as follows:

(i) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is less than would have been achieved had the applicable annual incremental goal been achieved, then the return on equity component shall be reduced by a maximum of 200 basis points if the utility achieved no more than 75% of its applicable annual total savings requirement as defined in paragraph (7.5) of this subsection. If the utility achieved more than 75% of the applicable annual total savings requirement but less than 100% of such goal, then the return on equity component shall be reduced by 8 basis points for each percent by which the utility failed to achieve the goal.

(ii) If the independent evaluator determines that the utility achieved a cumulative persisting annual savings that is more than would have been achieved had the applicable annual incremental goal been achieved, then the return on equity component shall be increased by a maximum of 200 basis points if the utility achieved at least 125% of its applicable annual total savings requirement. If the utility achieved more than 100% of the applicable annual total savings requirement but less than 125% of such goal, then the return on equity component shall be increased by 8 basis points for each percent by which the utility achieved above the applicable annual total savings requirement. If the applicable annual incremental goal was reduced under paragraph (1) or (2) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in this item (ii):

(aa) the calculation for determining achievement that is at least 125% of the applicable annual total savings requirement shall use the unreduced applicable annual incremental goal to set the value; and

(bb) the calculation for determining achievement that is less than 125% but more

than 100% of the applicable annual total savings requirement shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 8 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% achievement.

(7.5) For purposes of this Section, the term "applicable annual incremental goal" means the difference between the cumulative persisting annual savings goal for the calendar year that is the subject of the independent evaluator's determination and the cumulative persisting annual savings goal for the immediately preceding calendar year, as such goals are defined in subsections (b-5) and (b-15) of this Section and as these goals may have been modified as provided for under subsection (b-20) and paragraphs (1) through (3) of subsection (f) of this Section. Under subsections (b), (b-5), (b-10), and (b-15) of this Section, a utility must first replace energy savings from measures that have expired ~~reached the end of their measure lives and would otherwise have to be replaced to meet the applicable savings goals identified in subsection (b-5) or (b-15) of this Section~~ before any

progress towards achievement of its applicable annual incremental goal may be counted. Savings may expire because measures installed in previous years have reached the end of their lives, because measures installed in previous years are producing lower savings in the current year than in the previous year, or for other reasons identified by independent evaluators. Notwithstanding anything else set forth in this Section, the difference between the actual annual incremental savings achieved in any given year, including the replacement of energy savings ~~from measures~~ that have expired, and the applicable annual incremental goal shall not affect adjustments to the return on equity for subsequent calendar years under this subsection (g).

In this Section, "applicable annual total savings requirement" means the total amount of new annual savings that the utility must achieve in any given year to achieve the applicable annual incremental goal. This is equal to the applicable annual incremental goal plus the total new annual savings that are required to replace savings that expired in or at the end of the previous year.

(8) For electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State:

(A) Through December 31, 2025, the applicable annual incremental goal shall be compared to the

annual incremental savings as determined by the independent evaluator.

(i) The return on equity component shall be reduced by 8 basis points for each percent by which the utility did not achieve 84.4% of the applicable annual incremental goal.

(ii) The return on equity component shall be increased by 8 basis points for each percent by which the utility exceeded 100% of the applicable annual incremental goal.

(iii) The return on equity component shall not be increased or decreased if the annual incremental savings as determined by the independent evaluator is greater than 84.4% of the applicable annual incremental goal and less than 100% of the applicable annual incremental goal.

(iv) The return on equity component shall not be increased or decreased by an amount greater than 200 basis points pursuant to this subparagraph (A).

(B) For the period of January 1, 2026 through December 31, 2029 and in all subsequent 4-year periods ~~2030~~, the applicable annual incremental goal shall be compared to the annual incremental savings as determined by the independent evaluator.

(i) The return on equity component shall be

reduced by 6 basis points for each percent by which the utility did not achieve 100% of the applicable annual incremental goal.

(ii) The return on equity component shall be increased by 6 basis points for each percent by which the utility exceeded 100% of the applicable annual incremental goal.

(iii) The return on equity component shall not be increased or decreased by an amount greater than 200 basis points pursuant to this subparagraph (B).

(C) Notwithstanding provisions in subparagraphs (A) and (B) of paragraph (7) of this subsection, if the applicable annual incremental goal for an electric utility is ever less than 0.6% of deemed average weather normalized sales of electric power and energy during calendar years 2014, 2015 and 2016, an adjustment to the return on equity component of the utility's weighted average cost of capital calculated under subsection (d) of this Section shall be made as follows:

(i) The return on equity component shall be reduced by 8 basis points for each percent by which the utility did not achieve 100% of the applicable annual total savings requirement.

(ii) The return on equity component shall be

increased by 8 basis points for each percent by which the utility exceeded 100% of the applicable annual total savings requirement.

(iii) The return on equity component shall not be increased or decreased by an amount greater than 200 basis points pursuant to this subparagraph (C).

(D) ~~(C)~~ If the applicable annual incremental goal was reduced under paragraph ~~paragraphs~~ (1), (2), ~~or~~ (3), or (4) of subsection (f) of this Section, then the following adjustments shall be made to the calculations described in subparagraphs (A), ~~and~~ (B), and (C) of this paragraph (8):

(i) The calculation for determining achievement that is at least 125% or 134%, as applicable, of the applicable annual incremental goal or the applicable annual total savings requirement, as applicable, shall use the unreduced applicable annual incremental goal to set the value.

(ii) For the period through December 31, 2025, the calculation for determining achievement that is less than 125% but more than 100% of the applicable annual incremental goal or the applicable annual total savings requirement, as applicable, shall use the reduced applicable

annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 8 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% achievement.

(iii) For the period of January 1, 2026 through December 31, 2029 and all subsequent 4-year periods, the calculation for determining achievement that is less than 125% or 134%, as applicable, but more than 100% of the applicable annual incremental goal or the applicable annual total savings requirement, as applicable, shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 6 basis-point value or 8 basis-point value, as applicable, shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 125% or between 100% and 134% achievement, as applicable ~~2030, the calculation for determining achievement that is less than 134% but more than 100% of the~~

~~applicable annual incremental goal shall use the reduced applicable annual incremental goal to set the value for 100% achievement of the goal and shall use the unreduced goal to set the value for 125% achievement. The 6 basis point value shall also be modified, as necessary, so that the 200 basis points are evenly apportioned among each percentage point value between 100% and 134% achievement~~.

(9) The utility shall submit the energy savings data to the independent evaluator no later than 30 days after the close of the plan year. The independent evaluator shall determine the cumulative persisting annual savings for a given plan year, as well as an estimate of job impacts and other macroeconomic impacts of the efficiency programs for that year, no later than 120 days after the close of the plan year. The utility shall submit an informational filing to the Commission no later than 160 days after the close of the plan year that attaches the independent evaluator's final report identifying the cumulative persisting annual savings for the year and calculates, under paragraph (7) or (8) of this subsection (g), as applicable, any resulting change to the utility's return on equity component of the weighted average cost of capital applicable to the next plan year beginning with the January monthly billing period and extending through

the December monthly billing period. However, if the utility recovers the costs incurred under this Section under paragraphs (2) and (3) of subsection (d) of this Section, then the utility shall not be required to submit such informational filing, and shall instead submit the information that would otherwise be included in the informational filing as part of its filing under paragraph (3) of such subsection (d) that is due on or before June 1 of each year.

For those utilities that must submit the informational filing, the Commission may, on its own motion or by petition, initiate an investigation of such filing, provided, however, that the utility's proposed return on equity calculation shall be deemed the final, approved calculation on December 15 of the year in which it is filed unless the Commission enters an order on or before December 15, after notice and hearing, that modifies such calculation consistent with this Section.

The adjustments to the return on equity component described in paragraphs (7) and (8) of this subsection (g) shall be applied as described in such paragraphs through a separate tariff mechanism, which shall be filed by the utility under subsections (f) and (g) of this Section.

(9.5) The utility must demonstrate how it will ensure that program implementation contractors and energy efficiency installation vendors will promote workforce

equity and quality jobs.

(9.6) Utilities shall collect data necessary to ensure compliance with paragraph (9.5) no less than quarterly and shall communicate progress toward compliance with paragraph (9.5) to program implementation contractors and energy efficiency installation vendors no less than quarterly. Utilities shall work with relevant vendors, providing education, training, and other resources needed to ensure compliance and, where necessary, adjusting or terminating work with vendors that cannot assist with compliance.

(10) Utilities required to implement efficiency programs under subsections (b-5) and (b-10) shall report annually to the Illinois Commerce Commission and the General Assembly on how hiring, contracting, job training, and other practices related to its energy efficiency programs enhance the diversity of vendors working on such programs. These reports must include data on vendor and employee diversity, including data on the implementation of paragraphs (9.5) and (9.6). If the utility is not meeting the requirements of paragraphs (9.5) and (9.6), the utility shall submit a plan to adjust their activities so that they meet the requirements of paragraphs (9.5) and (9.6) within the following year.

(h) No more than 4% ~~6%~~ of energy efficiency and demand-response program revenue may be allocated for research,

development, or pilot deployment of new equipment or measures. Electric utilities shall work with interested stakeholders to formulate a plan for how these funds should be spent, incorporate statewide approaches for these allocations, and file a 4-year plan that demonstrates that collaboration. If a utility files a request for modified annual energy savings goals with the Commission, then a utility shall forgo spending portfolio dollars on research and development proposals.

(i) When practicable, electric utilities shall incorporate advanced metering infrastructure data into the planning, implementation, and evaluation of energy efficiency measures and programs, subject to the data privacy and confidentiality protections of applicable law.

(j) The independent evaluator shall follow the guidelines and use the savings set forth in Commission-approved energy efficiency policy manuals and technical reference manuals, as each may be updated from time to time. Until such time as measure life values for energy efficiency measures implemented for low-income households under subsection (c) of this Section are incorporated into such Commission-approved manuals, the low-income measures shall have the same measure life values that are established for same measures implemented in households that are not low-income households.

(k) Notwithstanding any provision of law to the contrary, an electric utility subject to the requirements of this Section may file a tariff cancelling an automatic adjustment

clause tariff in effect under this Section or Section 8-103, which shall take effect no later than one business day after the date such tariff is filed. Thereafter, the utility shall be authorized to defer and recover its expenditures incurred under this Section through a new tariff authorized under subsection (d) of this Section or in the utility's next rate case under Article IX or Section 16-108.5 of this Act, with interest at an annual rate equal to the utility's weighted average cost of capital as approved by the Commission in such case. If the utility elects to file a new tariff under subsection (d) of this Section, the utility may file the tariff within 10 days after June 1, 2017 (the effective date of Public Act 99-906), and the cost inputs to such tariff shall be based on the projected costs to be incurred by the utility during the calendar year in which the new tariff is filed and that were not recovered under the tariff that was cancelled as provided for in this subsection. Such costs shall include those incurred or to be incurred by the utility under its multi-year plan approved under subsections (f) and (g) of this Section, including, but not limited to, projected capital investment costs and projected regulatory asset balances with correspondingly updated depreciation and amortization reserves and expense. The Commission shall, after notice and hearing, approve, or approve with modification, such tariff and cost inputs no later than 75 days after the utility filed the tariff, provided that such approval, or approval with

modification, shall be consistent with the provisions of this Section to the extent they do not conflict with this subsection (k). The tariff approved by the Commission shall take effect no later than 5 days after the Commission enters its order approving the tariff.

No later than 60 days after the effective date of the tariff cancelling the utility's automatic adjustment clause tariff, the utility shall file a reconciliation that reconciles the moneys collected under its automatic adjustment clause tariff with the costs incurred during the period beginning June 1, 2016 and ending on the date that the electric utility's automatic adjustment clause tariff was cancelled. In the event the reconciliation reflects an under-collection, the utility shall recover the costs as specified in this subsection (k). If the reconciliation reflects an over-collection, the utility shall apply the amount of such over-collection as a one-time credit to retail customers' bills.

(l) For the calendar years covered by a multi-year plan commencing after December 31, 2017, subsections (a) through (j) of this Section do not apply to eligible large private energy customers that have chosen to opt out of multi-year plans consistent with this subsection (l).

(1) For purposes of this subsection (l), "eligible large private energy customer" means any retail customers, except for federal, State, municipal, and other public

customers, of an electric utility that serves more than 3,000,000 retail customers, except for federal, State, municipal and other public customers, in the State and whose total highest 30 minute demand was more than 10,000 kilowatts, or any retail customers of an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State and whose total highest 15 minute demand was more than 10,000 kilowatts. For purposes of this subsection (l), "retail customer" has the meaning set forth in Section 16-102 of this Act. However, for a business entity with multiple sites located in the State, where at least one of those sites qualifies as an eligible large private energy customer, then any of that business entity's sites, properly identified on a form for notice, shall be considered eligible large private energy customers for the purposes of this subsection (l). A determination of whether this subsection is applicable to a customer shall be made for each multi-year plan beginning after December 31, 2017. The criteria for determining whether this subsection (l) is applicable to a retail customer shall be based on the 12 consecutive billing periods prior to the start of the first year of each such multi-year plan.

(2) Within 45 days after the effective date of this amendatory Act of the 102nd General Assembly, the Commission shall prescribe the form for notice required

for opting out of energy efficiency programs. The notice must be submitted to the retail electric utility 12 months before the next energy efficiency planning cycle. However, within 120 days after the Commission's initial issuance of the form for notice, eligible large private energy customers may submit a form for notice to an electric utility. The form for notice for opting out of energy efficiency programs shall include all of the following:

(A) a statement indicating that the customer has elected to opt out;

(B) the account numbers for the customer accounts to which the opt out shall apply;

(C) the mailing address associated with the customer accounts identified under subparagraph (B);

(D) an American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) level 2 or higher audit report conducted by an independent third-party expert identifying cost-effective energy efficiency project opportunities that could be invested in over the next 10 years. A retail customer with specialized processes may utilize a self-audit process in lieu of the ASHRAE audit;

(E) a description of the customer's plans to reallocate the funds toward internal energy efficiency efforts identified in the subparagraph (D) report, including, but not limited to: (i) strategic energy

management or other programs, including descriptions of targeted buildings, equipment and operations; (ii) eligible energy efficiency measures; and (iii) expected energy savings, itemized by technology. If the subparagraph (D) audit report identifies that the customer currently utilizes the best available energy efficient technology, equipment, programs, and operations, the customer may provide a statement that more efficient technology, equipment, programs, and operations are not reasonably available as a means of satisfying this subparagraph (E); and

(F) the effective date of the opt out, which will be the next January 1 following notice of the opt out.

(3) Upon receipt of a properly and timely noticed request for opt out submitted by an eligible large private energy customer, the retail electric utility shall grant the request, file the request with the Commission and, beginning January 1 of the following year, the opted out customer shall no longer be assessed the costs of the plan and shall be prohibited from participating in that 4-year plan cycle to give the retail utility the certainty to design program plan proposals.

(4) Upon a customer's election to opt out under paragraphs (1) and (2) of this subsection (l) and commencing on the effective date of said opt out, the account properly identified in the customer's notice under

paragraph (2) shall not be subject to any cost recovery and shall not be eligible to participate in, or directly benefit from, compliance with energy efficiency cumulative persisting savings requirements under subsections (a) through (j).

(5) A utility's cumulative persisting annual savings targets will exclude any opted out load.

(6) The request to opt out is only valid for the requested plan cycle. An eligible large private energy customer must also request to opt out for future energy plan cycles, otherwise the customer will be included in the future energy plan cycle. ~~For the calendar years covered by a multi-year plan commencing after December 31, 2017, subsections (a) through (j) of this Section do not apply to any retail customers of an electric utility that serves more than 3,000,000 retail customers in the State and whose total highest 30 minute demand was more than 10,000 kilowatts, or any retail customers of an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State and whose total highest 15 minute demand was more than 10,000 kilowatts. For purposes of this subsection (l), "retail customer" has the meaning set forth in Section 16-102 of this Act. A determination of whether this subsection is applicable to a customer shall be made for each multi-year plan beginning after December 31, 2017. The criteria for~~

~~determining whether this subsection (l) is applicable to a retail customer shall be based on the 12 consecutive billing periods prior to the start of the first year of each such multi-year plan.~~

(m) Notwithstanding the requirements of this Section, as part of a proceeding to approve a multi-year plan under subsections (f) and (g) of this Section if the multi-year plan has been designed to maximize savings, but does not meet the cost cap limitations of this Section, the Commission shall reduce the amount of energy efficiency measures implemented for any single year, and whose costs are recovered under subsection (d) of this Section, by an amount necessary to limit the estimated average net increase due to the cost of the measures to no more than

(1) 3.5% for each of the 4 years beginning January 1, 2018,

(2) (blank), ~~3.75% for each of the 4 years beginning January 1, 2022, and~~

(3) 4% for each of the 4 ~~5~~ years beginning January 1, 2022 ~~2026~~,

(4) 4.25% for the 4 years beginning January 1, 2026, and

(5) 4.25% plus an increase sufficient to account for the rate of inflation between January 1, 2026 and January 1 of the first year of each subsequent 4-year plan cycle,

of the average amount paid per kilowatthour by residential

eligible retail customers during calendar year 2015. An electric utility may plan to spend up to 10% more in any year during an applicable multi-year plan period to cost-effectively achieve additional savings so long as the average over the applicable multi-year plan period does not exceed the percentages defined in items (1) through (5). To determine the total amount that may be spent by an electric utility in any single year, the applicable percentage of the average amount paid per kilowatthour shall be multiplied by the total amount of energy delivered by such electric utility in the calendar year 2015, adjusted to reflect the proportion of the utility's load attributable to customers that have opted out of ~~who are exempt from~~ subsections (a) through (j) of this Section under subsection (l) of this Section. For purposes of this subsection (m), the amount paid per kilowatthour includes, without limitation, estimated amounts paid for supply, transmission, distribution, surcharges, and add-on taxes. For purposes of this Section, "eligible retail customers" shall have the meaning set forth in Section 16-111.5 of this Act. Once the Commission has approved a plan under subsections (f) and (g) of this Section, no subsequent rate impact determinations shall be made.

(n) A utility shall take advantage of the efficiencies available through existing Illinois Home Weatherization Assistance Program infrastructure and services, such as enrollment, marketing, quality assurance and implementation,

which can reduce the need for similar services at a lower cost than utility-only programs, subject to capacity constraints at community action agencies, for both single-family and multifamily weatherization services, to the extent Illinois Home Weatherization Assistance Program CAAs provide multifamily services. A utility's plan shall demonstrate that in formulating annual weatherization budgets, it has sought input and coordination with community action agencies regarding agencies' capacity to expand and maximize Illinois Home Weatherization Assistance Program delivery using the ratepayer dollars collected under this Section.

(Source: P.A. 100-840, eff. 8-13-18; 101-81, eff. 7-12-19.)

(220 ILCS 5/8-201.8 new)

Sec. 8-201.8. Prohibition on late payment fees for low-income residential customers or applicants.

(a) Notwithstanding any other provision of this Act, as of the effective date of this amendatory Act of the 102nd General Assembly, an electric utility shall not charge a low-income residential customer or applicant a fee, charge, or penalty for late payment of any utility bill or invoice. Notwithstanding any other provision of this Act, as of January 1, 2023, a natural gas utility shall not charge a low-income residential customer or applicant a fee, charge, or penalty for late payment of any utility bill or invoice.

(b) As used in this Section, "low-income residential

customer or applicant" means: (i) a member of a household at or below 80% of the latest median household income as reported by the United States Census Bureau for the most applicable community or county; (ii) a member of a household at or below 150% of the federal poverty level; (iii) a person who is eligible for the Illinois Low Income Home Energy Assistance Program (LIHEAP) as defined in the Energy Assistance Act; (iv) a person who is eligible to participate in the Percentage of Income Payment Plan (PIPP or PIP Plan) as defined in the Energy Assistance Act; or (v) a person who is eligible to receive Lifeline service as defined in the Universal Service Telephone Service Protection Law of 1985.

(220 ILCS 5/8-201.10 new)

Sec. 8-201.10. Disconnection and credit and collections reporting.

(a) The Commission shall require all gas, electric, water and sewer public utilities under its authority to submit an annual report by May 1, 2022 and every May 1 thereafter, reporting and making publicly available in executable, electronic spreadsheet format, by zip code, on the number of disconnections for nonpayment and reconnections that occurred in the immediately preceding calendar year.

(b) Each such public utility in its annual report shall report to the Commission and make publicly available in executable, electronic spreadsheet format the following

information, by zip code, for the immediately preceding calendar year:

(1) the number of customers, by customer class and type of utility service provided, during each month;

(2) the number of customers, by customer class and type of utility service, receiving disconnection notices during each month;

(3) the number of customers, by customer class and type of utility service, disconnected for nonpayment during each month;

(4) the number of customers, by customer class and type of utility service, reconnected because they have paid in full or set up payment arrangements during each month;

(5) the number of new deferred payment agreements, by customer class and type of utility service, each month;

(6) the number of customers, by customer class and type of utility service, taking service at the beginning of the month under existing deferred payment arrangements;

(7) the number of customers, by customer class and type of utility service, completing deferred payment arrangements during the month;

(8) the number of payment agreements, by customer class and type of utility service, that failed during each month;

(9) the number of customers, by customer class and

type of utility service, renegotiating deferred payment arrangements during the month;

(10) the number of customers, by customer class and type of utility service, assessed late payment fees or charges during the month;

(11) the number of customers, by customer class and type of utility service, taking service at the beginning of the month under existing medical payment arrangements;

(12) the number of customers, by utility service, completing medical payment arrangements during the month;

(13) the number of customers, by utility service, enrolling in new medical payment arrangements during the month;

(14) the number of customers, by utility service, renegotiating medical payment arrangements plans during the month;

(15) the number of customers, by customer class and utility service, with required deposits with the company at the beginning of the month;

(16) the number of customers, by customer class and utility service, required to submit new deposits or increased deposits during the month;

(17) the number of customers, by customer class and utility service, whose required deposits were reduced in part or forgone during the month;

(18) the number of customers, by customer class and

utility service, whose deposits were returned in full during the month;

(19) the number of customers, by customer class and utility service, with past due amounts greater than 30 days past due at the beginning of the month and taking service at the beginning of the month under existing deferred payment arrangements;

(20) the dollar volume of past due accounts, by customer class and utility service, for customers with past due amounts greater than 30 days past due at the beginning of the month and taking service at the beginning of the month under existing deferred payment arrangements;

(21) the number of customers, by customer class and utility service, with past due amounts greater than 30 days past due at the beginning of the month and not taking service at the beginning of the month under existing deferred payment arrangements; and

(22) the dollar volume of past due accounts, by customer class and utility service, for customers with past due amounts greater than 30 days past due at the beginning of the month and not taking service at the beginning of the month under existing deferred payment arrangements.

(c) The Commission may specify the executable, electronic spreadsheet format that utilities must adhere to when submitting the information required by this Section.

Notwithstanding the requirements of this Section, the Commission may establish an online reporting system and require each public utility to report using the online reporting system instead of filing information in executable, electronic spreadsheet format. The Commission shall make each annual report submitted by each public utility publicly available on its website within 30 days of receipt.

(d) The Commission shall require all gas, electric, water and sewer public utilities under its authority to submit an annual report by May 1, 2022 and every May 1 thereafter, detailing the number of disconnections for nonpayment and reconnections that occurred in the immediately preceding calendar year.

(e) Each such public utility in its annual report shall include the following information for the immediately preceding calendar year:

(1) the number of customers, by customer class, during each month;

(2) the number of customers, by customer class, disconnected for nonpayment during each month;

(3) the number of customers, by customer class, reconnected because they have paid in full or set up payment arrangements during each month; and

(4) the number of customers, by customer class, who have set up payment arrangements each month.

(f) The Commission shall make each annual report submitted

by each public utility publicly available on its website within 30 days of receipt.

(220 ILCS 5/8-218 new)

Sec. 8-218. Utility-scale pilot projects.

(a) Electric utilities serving greater than 500,000 customers but less than 3,000,000 customers may propose, plan for, construct, install, control, own, manage, or operate up to 2 pilot projects consisting of utility-scale photovoltaic energy generation facilities. Energy storage facilities that are planned for, constructed, installed, controlled, owned, managed, or operated may be constructed in connection with the photovoltaic electricity generation pilot projects.

(b) Pilot projects shall be sited in equity investment eligible communities in or near the towns of Peoria and East St. Louis and must result in economic benefits for the members of the communities in which the project will be located. The amount paid per pilot project with or without energy storage facilities cannot exceed $20,000,000. The electric utility's costs of planning for, constructing, installing, controlling, owning, managing, or operating the photovoltaic electricity generation facilities and energy storage facilities may be recovered, on a kilowatt hour basis, via an automatic adjustment clause tariff applicable to all retail customers, with the tariff to be approved by the Commission after opportunity for review, and with an annual reconciliation

component; and for purposes of cost recovery, the photovoltaic electricity production facilities may be treated as regulatory assets, using the same ratemaking treatment in paragraph (1) of subsection (h) of Section 16-107.6 of this Act, provided: (1) the Commission shall have the authority to determine the reasonableness of the costs of the facilities, and (2) any monetary value of power and energy from the facilities shall be credited against the delivery services revenue requirement.

(c) Any electric utility seeking to propose, plan for, construct, install, control, own, manage, or operate a pilot project pursuant to this Section must commit to using a diverse and equitable workforce and a diverse set of contractors, including minority-owned businesses, disadvantaged businesses, trade unions, graduates of any workforce training programs established by this amendatory Act of the 102nd General Assembly, and small businesses. An electric utility must comply with the equity commitment requirements in subsection (c-10) of Section 1-75 of the Illinois Power Agency Act. The electric utility must certify that not less than the prevailing wage will be paid to employees engaged in construction activities associated with the pilot project. The electric utility must file a project labor agreement, as defined in the Illinois Power Agency Act, with the Commission prior to constructing, installing, controlling, or owning a pilot project authorized by this Section.

(220 ILCS 5/8-402.2 new)

Sec. 8-402.2. Public Schools Carbon-Free Assessment programs.

(a) Within one year after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility serving over 500,000 retail customers in this State shall implement a Public Schools Carbon-Free Assessment program.

(b) Each utility's Public Schools Carbon-Free Assessment program shall include the following requirements:

(1) Each plan shall be designed to offer within the utility's service territory to assist public schools, as defined by Section 1-3 of the School Code, to increase the efficiency of their energy usage, to reduce the carbon emissions associated with their energy usage, and to move toward a goal of public schools being carbon-free in their energy usage by 2030. The program shall include a target of completing Public Schools Carbon-Free Assessment for all public schools in the utility's service territory by December 31, 2029.

(2) The Public Schools Carbon-Free Assessment shall be a generally standardized assessment, but may incorporate flexibility to reflect the circumstances of individual public schools and public school districts.

(3) The Public Schools Carbon-Free Assessment shall

include, but not be limited to, comprehensive analyses of the following subjects:

(A) The top energy efficiency savings opportunities for the public school, by energy saved;

(B) The total achievable solar energy potential on or nearby a public school's premises and able to provide power to a school;

(C) The infrastructure required to support electrification of the facility's space heating and water heating needs;

(D) The infrastructure requirements to support electrification of a school's transportation needs; and

(E) The investments required to achieve a WELL Certification or similar certification as determined through methods developed and updated by the International WELL Building Institute or similar or successor organizations.

(4) The Public Schools Carbon-Free Assessment also shall include, but not be limited to, mechanical insulation evaluation inspection and inspection of the building envelope(s).

(5) With respect to those public school construction projects for public schools within the service territory of a utility serving over 500,000 retail customers in this State and for which a public school district applies for a

grant under Section 5-40 of the School Construction Law on or after June 1, 2023, the district must submit a copy of the applicable Public Schools Carbon-Free Assessment report, or, if no such Public Schools Carbon-Free Assessment has been performed, request the applicable utility to perform such a Public Schools Carbon-Free Assessment and submit a copy of the Public Schools Carbon-Free Assessment report promptly when it becomes available. The Public Schools Carbon-Free Assessment report shall include, but not limited to, an energy audit of both the building envelope and the building's mechanical insulation system. It shall also include an inspection of both the building envelope and the mechanical insulation system. The district must demonstrate how the construction project is designed and managed to achieve the goals that all public elementary and secondary school facilities in the State are able to be powered by clean energy by 2030, and for such facilities to achieve carbon-free energy sources for space heat, water heat, and transportation by 2050.

(6) The results of each Public Schools Carbon-Free Assessment shall be memorialized by the utility or by a third party acting on behalf of the utility in a usable report form and shall be provided to the applicable public school. Each utility shall be required to retain a copy of each Public Schools Carbon-Free Assessment report and to

provide confidential copies of each report to the Illinois Power Agency and the Illinois Capital Development Board within 3 months of its completion.

(7) The Public Schools Carbon-Free Assessment shall be conducted in coordination with each utility's energy efficiency and demand-response plans under Sections 8-103, 8-103A, and 8-103B of this Act, to the extent applicable. Nothing in this Section is intended to modify or require modification of those plans. However, the utility may request a modification of a plan approved by the Commission, and the Commission may approve the requested modification, if the modification is consistent with the provisions of this Section and Section 8-103B of this Act.

(8) If there are no other providers of assessments that are substantively the same as those being performed by utilities pursuant to this Section by 2024, a utility that has a Public Schools Carbon-Free Assessment program may offer assessments to public schools that are not served by a utility subject to this Section at the utility's cost.

(9) The Public Schools Carbon-Free Assessment shall be offered to and performed for public schools in the utility's service territory on a complimentary basis by each utility, with no Assessment fee charged to the public schools for the Assessments. Nothing in this Section is intended to prohibit the utility from recovering through

rates approved by the Commission the utility's prudent and reasonable costs of complying with this Section.

(10) Utilities shall make efforts to prioritize the completion of Public Schools Carbon-Free Assessments for the following school districts by December 31, 2022: East St. Louis School District 189, Harvey School District 152, Thornton Township High School District 205.

(220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

Sec. 8-406. Certificate of public convenience and necessity.

(a) No public utility not owning any city or village franchise nor engaged in performing any public service or in furnishing any product or commodity within this State as of July 1, 1921 and not possessing a certificate of public convenience and necessity from the Illinois Commerce Commission, the State Public Utilities Commission or the Public Utilities Commission, at the time this amendatory Act of 1985 goes into effect, shall transact any business in this State until it shall have obtained a certificate from the Commission that public convenience and necessity require the transaction of such business.

(b) No public utility shall begin the construction of any new plant, equipment, property or facility which is not in substitution of any existing plant, equipment, property or facility or any extension or alteration thereof or in addition

thereto, unless and until it shall have obtained from the Commission a certificate that public convenience and necessity require such construction. Whenever after a hearing the Commission determines that any new construction or the transaction of any business by a public utility will promote the public convenience and is necessary thereto, it shall have the power to issue certificates of public convenience and necessity. The Commission shall determine that proposed construction will promote the public convenience and necessity only if the utility demonstrates: (1) that the proposed construction is necessary to provide adequate, reliable, and efficient service to its customers and is the least-cost means of satisfying the service needs of its customers or that the proposed construction will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives; (2) that the utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision thereof; and (3) that the utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.

(b-5) As used in this subsection (b-5):

"Qualifying direct current applicant" means an entity that seeks to provide direct current bulk transmission service for

the purpose of transporting electric energy in interstate commerce.

"Qualifying direct current project" means a high voltage direct current electric service line that crosses at least one Illinois border, the Illinois portion of which is physically located within the region of the Midcontinent Independent System Operator, Inc., or its successor organization, and runs through the counties of Pike, Scott, Greene, Macoupin, Montgomery, Christian, Shelby, Cumberland, and Clark, is capable of transmitting electricity at voltages of 345kv or above, and may also include associated interconnected alternating current interconnection facilities in this State that are part of the proposed project and reasonably necessary to connect the project with other portions of the grid.

Notwithstanding any other provision of this Act, a qualifying direct current applicant that does not own, control, operate, or manage, within this State, any plant, equipment, or property used or to be used for the transmission of electricity at the time of its application or of the Commission's order may file an application on or before December 31, 2023 with the Commission pursuant to this Section or Section 8-406.1 for, and the Commission may grant, a certificate of public convenience and necessity to construct, operate, and maintain a qualifying direct current project. The qualifying direct current applicant may also include in the application requests for authority under Section 8-503. The

Commission shall grant the application for a certificate of public convenience and necessity and requests for authority under Section 8-503 if it finds that the qualifying direct current applicant and the proposed qualifying direct current project satisfy the requirements of this subsection and otherwise satisfy the criteria of this Section or Section 8-406.1 and the criteria of Section 8-503, as applicable to the application and to the extent such criteria are not superseded by the provisions of this subsection. The Commission's order on the application for the certificate of public convenience and necessity shall also include the Commission's findings and determinations on the request or requests for authority pursuant to Section 8-503. Prior to filing its application under either this Section or Section 8-406.1, the qualifying direct current applicant shall conduct 3 public meetings in accordance with subsection (h) of this Section. If the qualifying direct current applicant demonstrates in its application that the proposed qualifying direct current project is designed to deliver electricity to a point or points on the electric transmission grid in either or both the PJM Interconnection, LLC or the Midcontinent Independent System Operator, Inc., or their respective successor organizations, the proposed qualifying direct current project shall be deemed to be, and the Commission shall find it to be, for public use. If the qualifying direct current applicant further demonstrates in its application that

the proposed transmission project has a capacity of 1,000 megawatts or larger and a voltage level of 345 kilovolts or greater, the proposed transmission project shall be deemed to satisfy, and the Commission shall find that it satisfies, the criteria stated in item (1) of subsection (b) of this Section or in paragraph (1) of subsection (f) of Section 8-406.1, as applicable to the application, without the taking of additional evidence on these criteria. Prior to the transfer of functional control of any transmission assets to a regional transmission organization, a qualifying direct current applicant shall request Commission approval to join a regional transmission organization in an application filed pursuant to this subsection (b-5) or separately pursuant to Section 7-102 of this Act. The Commission may grant permission to a qualifying direct current applicant to join a regional transmission organization if it finds that the membership, and associated transfer of functional control of transmission assets, benefits Illinois customers in light of the attendant costs and is otherwise in the public interest. Nothing in this subsection (b-5) requires a qualifying direct current applicant to join a regional transmission organization. Nothing in this subsection (b-5) requires the owner or operator of a high voltage direct current transmission line that is not a qualifying direct current project to obtain a certificate of public convenience and necessity to the extent it is not otherwise required by this Section 8-406 or any other

provision of this Act.

(c) After the effective date of this amendatory Act of 1987, no construction shall commence on any new nuclear power plant to be located within this State, and no certificate of public convenience and necessity or other authorization shall be issued therefor by the Commission, until the Director of the Illinois Environmental Protection Agency finds that the United States Government, through its authorized agency, has identified and approved a demonstrable technology or means for the disposal of high level nuclear waste, or until such construction has been specifically approved by a statute enacted by the General Assembly.

As used in this Section, "high level nuclear waste" means those aqueous wastes resulting from the operation of the first cycle of the solvent extraction system or equivalent and the concentrated wastes of the subsequent extraction cycles or equivalent in a facility for reprocessing irradiated reactor fuel and shall include spent fuel assemblies prior to fuel reprocessing.

(d) In making its determination, the Commission shall attach primary weight to the cost or cost savings to the customers of the utility. The Commission may consider any or all factors which will or may affect such cost or cost savings, including the public utility's engineering judgment regarding the materials used for construction.

(e) The Commission may issue a temporary certificate which

shall remain in force not to exceed one year in cases of emergency, to assure maintenance of adequate service or to serve particular customers, without notice or hearing, pending the determination of an application for a certificate, and may by regulation exempt from the requirements of this Section temporary acts or operations for which the issuance of a certificate will not be required in the public interest.

A public utility shall not be required to obtain but may apply for and obtain a certificate of public convenience and necessity pursuant to this Section with respect to any matter as to which it has received the authorization or order of the Commission under the Electric Supplier Act, and any such authorization or order granted a public utility by the Commission under that Act shall as between public utilities be deemed to be, and shall have except as provided in that Act the same force and effect as, a certificate of public convenience and necessity issued pursuant to this Section.

No electric cooperative shall be made or shall become a party to or shall be entitled to be heard or to otherwise appear or participate in any proceeding initiated under this Section for authorization of power plant construction and as to matters as to which a remedy is available under The Electric Supplier Act.

(f) Such certificates may be altered or modified by the Commission, upon its own motion or upon application by the person or corporation affected. Unless exercised within a

period of 2 years from the grant thereof authority conferred by a certificate of convenience and necessity issued by the Commission shall be null and void.

No certificate of public convenience and necessity shall be construed as granting a monopoly or an exclusive privilege, immunity or franchise.

(g) A public utility that undertakes any of the actions described in items (1) through (3) of this subsection (g) or that has obtained approval pursuant to Section 8-406.1 of this Act shall not be required to comply with the requirements of this Section to the extent such requirements otherwise would apply. For purposes of this Section and Section 8-406.1 of this Act, "high voltage electric service line" means an electric line having a design voltage of 100,000 or more. For purposes of this subsection (g), a public utility may do any of the following:

(1) replace or upgrade any existing high voltage electric service line and related facilities, notwithstanding its length;

(2) relocate any existing high voltage electric service line and related facilities, notwithstanding its length, to accommodate construction or expansion of a roadway or other transportation infrastructure; or

(3) construct a high voltage electric service line and related facilities that is constructed solely to serve a single customer's premises or to provide a generator

interconnection to the public utility's transmission system and that will pass under or over the premises owned by the customer or generator to be served or under or over premises for which the customer or generator has secured the necessary right of way.

(h) A public utility seeking to construct a high-voltage electric service line and related facilities (Project) must show that the utility has held a minimum of 2 pre-filing public meetings to receive public comment concerning the Project in each county where the Project is to be located, no earlier than 6 months prior to filing an application for a certificate of public convenience and necessity from the Commission. Notice of the public meeting shall be published in a newspaper of general circulation within the affected county once a week for 3 consecutive weeks, beginning no earlier than one month prior to the first public meeting. If the Project traverses 2 contiguous counties and where in one county the transmission line mileage and number of landowners over whose property the proposed route traverses is one-fifth or less of the transmission line mileage and number of such landowners of the other county, then the utility may combine the 2 pre-filing meetings in the county with the greater transmission line mileage and affected landowners. All other requirements regarding pre-filing meetings shall apply in both counties. Notice of the public meeting, including a description of the Project, must be provided in writing to the clerk of each

county where the Project is to be located. A representative of the Commission shall be invited to each pre-filing public meeting.

(i) For applications filed after the effective date of this amendatory Act of the 99th General Assembly, the Commission shall by registered mail notify each owner of record of land, as identified in the records of the relevant county tax assessor, included in the right-of-way over which the utility seeks in its application to construct a high-voltage electric line of the time and place scheduled for the initial hearing on the public utility's application. The utility shall reimburse the Commission for the cost of the postage and supplies incurred for mailing the notice.

(Source: P.A. 99-399, eff. 8-18-15.)

(220 ILCS 5/8-512 new)

Sec. 8-512. Renewable energy access plan.

(a) It is the policy of this State to promote cost-effective transmission system development that ensures reliability of the electric transmission system, lowers carbon emissions, minimizes long-term costs for consumers, and supports the electric policy goals of this State. The General Assembly finds that:

(1) Transmission planning, primarily for reliability purposes, but also for economic and public policy reasons is conducted by regional transmission organizations in

which transmission-owning Illinois utilities and other stakeholders are members.

(2) Order No. 1000 of the Federal Energy Regulatory Commission requires regional transmission organizations to plan for transmission system needs in light of State public policies and to accept input from states during the transmission system planning processes.

(3) The State of Illinois does not currently have a comprehensive power and environmental policy planning process to identify transmission infrastructure needs that can serve as a vital input into the regional and interregional transmission organization planning processes conducted under Order No. 1000 and other laws and regulations.

(4) This State is an electricity generation and power transmission hub, and can leverage that position to invest in infrastructure that enables new and existing Illinois generators to meet the public policy goals of the State of Illinois and of interconnected states while cost-effectively supporting tens of thousands of jobs in the renewable energy sector in this State.

(5) The nation has a need to readily access this State's low-cost, clean electric power, and this State also desires access to clean energy resources in other states to develop and support its low-carbon economy and keep electricity prices low in Illinois and interconnected

States.

(6) Existing transmission infrastructure may constrain the State's achievement of 100% renewable energy by 2050, the accelerated adoption of electric vehicles in a just and equitable way, and electrification of additional sectors of the Illinois economy.

(7) Transmission system congestion within this State and the regional transmission organizations serving this State limits the ability of this State's existing and new electric generation facilities that do not emit carbon dioxide, including renewable energy resources and zero emission facilities, to serve the public policy goals of this State and other states, which constrains investment in this State.

(8) Investment in infrastructure to support existing and new electric generation facilities that do not emit carbon dioxide, including renewable energy resources and zero emission facilities, stimulates significant economic development and job growth in this State, as well as creates environmental and public health benefits in this State.

(9) Creating a forward-looking plan for this State's electric transmission infrastructure, as opposed to relying on case-by-case development and repeated marginal upgrades, will achieve a lower-cost system for Illinois' electricity customers. A forward-looking plan can also

help integrate and achieve a comprehensive set of objectives and multiple state, regional, and national policy goals.

(10) Alternatives to overhead electric transmission lines can achieve cost-effective resolution of system impacts and warrant investigation of the circumstances under which those alternatives should be considered and approved. The alternatives are likely to be beneficial as investment in electric transmission infrastructure moves forward.

(11) Because transmission planning is conducted primarily by the regional transmission organizations, the Commission should be advocating for the State's interests at the regional transmission organizations to ensure that such planning facilitates the State's policies and goals, including overall consumer savings, power system reliability, economic development, environmental improvement, and carbon reduction.

(b) Consistent with the findings identified in subsection (a), the Commission shall open an investigation to develop and adopt a renewable energy access plan no later than December 31, 2022. To assist and support the Commission in the development of the plan, the Commission shall retain the services of technical and policy experts with relevant fields of expertise, solicit technical and policy analysis from the public, and provide for a 120-day open public comment period

after publication of a draft report, which shall be published no later than 90 days after the comment period ends. The plan shall, at a minimum, do the following:

(1) designate renewable energy access plan zones throughout this State in areas in which renewable energy resources and suitable land areas are sufficient for developing generating capacity from renewable energy technologies;

(2) develop a plan to achieve transmission capacity necessary to deliver the electric output from renewable energy technologies in the renewable energy access plan zones to customers in Illinois and other states in a manner that is most beneficial and cost-effective to customers;

(3) use this State's position as an electricity generation and power transmission hub to create new investment in this State's renewable energy resources;

(4) consider programs, policies, and electric transmission projects that can be adopted within this State that promote the cost-effective delivery of power from renewable energy resources interconnected to the bulk electric system to meet the renewable portfolio standard targets under subsection (c) of Section 1-75 of the Illinois Power Agency Act;

(5) consider proposals to improve regional transmission organizations' regional and interregional

system planning processes, especially proposals that reduce costs and emissions, create jobs, and increase State and regional power system reliability to prevent high-cost outages that can endanger lives, and analyze of how those proposals would improve reliability and cost-effective delivery of electricity in Illinois and the region;

(6) make findings and policy recommendations based on technical and policy analysis regarding locations of renewable energy access plan zones and the transmission system developments needed to cost-effectively achieve the public policy goals identified herein; and

(7) present the Commission's conclusions and proposed recommendations based on its analysis and use the findings and policy recommendations to determine actions that the Commission should take.

(c) No later than December 31, 2025, and every other year thereafter, the Commission shall open an investigation to develop and adopt an updated renewable energy access plan that, at a minimum, evaluates the implementation and effectiveness of the renewable energy access plan, recommends improvements to the renewable energy access plan, and provides changes to transmission capacity necessary to deliver electric output from the renewable energy access plan zones.

(220 ILCS 5/9-228 new)

Sec. 9-228. Limits on public utility expenses. The Commission shall not consider any of the following as an expense of any public utility company, including any allocation of those costs to the public utility from an affiliate or corporate parent, for the purpose of determining any rate or charge, any amount expended for:

(1) the pension or other post-employment benefits for an employee convicted of committing a criminal act in the course of his or her work with the utility;

(2) any severance or post-employment costs for an employee convicted of committing a criminal act in the course of his or her work with the utility; or

(3) criminal penalties, fines, fees, and costs related to criminal charges, criminal investigations, or deferred prosecution agreements.

(220 ILCS 5/9-229)

Sec. 9-229. Consideration of attorney and expert compensation as an expense and intervenor compensation fund.

(a) The Commission shall specifically assess the justness and reasonableness of any amount expended by a public utility to compensate attorneys or technical experts to prepare and litigate a general rate case filing. This issue shall be expressly addressed in the Commission's final order.

(b) The State of Illinois shall create a Consumer Intervenor Compensation Fund subject to the following:

(1) Provision of compensation for Consumer Interest Representatives that intervene in Illinois Commerce Commission proceedings will increase public engagement, encourage additional transparency, expand the information available to the Commission, and improve decision-making.

(2) As used in this Section, "Consumer interest representative" means:

(A) a residential utility customer or group of residential utility customers represented by a not-for-profit group or organization registered with the Illinois Attorney General under the Solicitation of Charity Act;

(B) representatives of not-for-profit groups or organizations whose membership is limited to residential utility customers; or

(C) representatives of not-for-profit groups or organizations whose membership includes Illinois residents and that address the community, economic, environmental, or social welfare of Illinois residents, except government agencies or intervenors specifically authorized by Illinois law to participate in Commission proceedings on behalf of Illinois consumers.

(3) A consumer interest representative is eligible to receive compensation from the consumer intervenor compensation fund if its participation included lay or

expert testimony or legal briefing and argument concerning the expenses, investments, rate design, rate impact, or other matters affecting the pricing, rates, costs or other charges associated with utility service, the Commission adopts a material recommendation related to a significant issue in the docket, and participation caused a significant financial hardship to the participant; however, no consumer interest representative shall be eligible to receive an award pursuant to this Section if the consumer interest representative receives any compensation, funding, or donations, directly or indirectly, from parties that have a financial interest in the outcome of the proceeding.

(4) Within 30 days after the effective date of this amendatory Act of the 102nd General Assembly, each utility that files a request for an increase in rates under Article IX or Article XVI shall deposit an amount equal to one half of the rate case attorney and expert expense allowed by the Commission, but not to exceed $500,000, into the fund within 35 days of the date of the Commission's final Order in the rate case or 20 days after the denial of rehearing under Section 10-113 of this Act, whichever is later. The Consumer Intervenor Compensation Fund shall be used to provide payment to consumer interest representatives as described in this Section.

(5) An electric public utility with 3,000,000 or more

retail customers shall contribute $450,000 to the Consumer Intervenor Compensation Fund within 60 days after the effective date of this amendatory Act of the 102nd General Assembly. A combined electric and gas public utility serving fewer than 3,000,000 but more than 500,000 retail customers shall contribute $225,000 to the Consumer Intervenor Compensation Fund within 60 days after the effective date of this amendatory Act of the 102nd General Assembly. A gas public utility with 1,500,000 or more retail customers that is not a combined electric and gas public utility shall contribute $225,000 to the Consumer Intervenor Compensation Fund within 60 days after the effective date of this amendatory Act of the 102nd General Assembly. A gas public utility with fewer than 1,500,000 retail customers but more than 300,000 retail customers that is not a combined electric and gas public utility shall contribute $80,000 to the Consumer Intervenor Compensation Fund within 60 days after the effective date of this amendatory Act of the 102nd General Assembly. A gas public utility with fewer than 300,000 retail customers that is not a combined electric and gas public utility shall contribute $20,000 to the Consumer Intervenor Compensation Fund within 60 days after the effective date of this amendatory Act of the 102nd General Assembly. A combined electric and gas public utility serving fewer than 500,000 retail customers shall

contribute $20,000 to the Consumer Intervenor Compensation Fund within 60 days after the effective date of this amendatory Act of the 102nd General Assembly. A water or sewer public utility serving more than 100,000 retail customers shall contribute $80,000, and a water or sewer public utility serving fewer than 100,000 but more than 10,000 retail customers shall contribute $20,000.

(6)(A) Prior to the entry of a Final Order in a docketed case, the Commission Administrator shall provide a payment to a consumer interest representative that demonstrates through a verified application for funding that the consumer interest representative's participation or intervention without an award of fees or costs imposes a significant financial hardship based on a schedule to be developed by the Commission. The Administrator may require verification of costs incurred, including statements of hours spent, as a condition to paying the consumer interest representative prior to the entry of a Final Order in a docketed case.

(B) If the Commission adopts a material recommendation related to a significant issue in the docket and participation caused a financial hardship to the participant, then the consumer interest representative shall be allowed payment for some or all of the consumer interest representative's reasonable attorney's or advocate's fees, reasonable expert witness fees, and other

reasonable costs of preparation for and participation in a hearing or proceeding. Expenses related to travel or meals shall not be compensable.

(C) The consumer interest representative shall submit an itemized request for compensation to the Consumer Intervenor Compensation Fund, including the advocate's or attorney's reasonable fee rate, the number of hours expended, reasonable expert and expert witness fees, and other reasonable costs for the preparation for and participation in the hearing and briefing within 30 days of the Commission's final order after denial or decision on rehearing, if any.

(7) Administration of the Fund.

(A) The Consumer Intervenor Compensation Fund is created as a special fund in the State treasury. All disbursements from the Consumer Intervenor Compensation Fund shall be made only upon warrants of the Comptroller drawn upon the Treasurer as custodian of the Fund upon vouchers signed by the Executive Director of the Commission or by the person or persons designated by the Director for that purpose. The Comptroller is authorized to draw the warrant upon vouchers so signed. The Treasurer shall accept all warrants so signed and shall be released from liability for all payments made on those warrants. The Consumer Intervenor Compensation Fund shall be administered by an Administrator that is a person or

entity that is independent of the Commission. The administrator will be responsible for the prudent management of the Consumer Intervenor Compensation Fund and for recommendations for the award of consumer intervenor compensation from the Consumer Intervenor Compensation Fund. The Commission shall issue a request for qualifications for a third-party program administrator to administer the Consumer Intervenor Compensation Fund. The third-party administrator shall be chosen through a competitive bid process based on selection criteria and requirements developed by the Commission. The Illinois Procurement Code does not apply to the hiring or payment of the Administrator. All Administrator costs may be paid for using monies from the Consumer Intervenor Compensation Fund, but the Program Administrator shall strive to minimize costs in the implementation of the program.

(B) The computation of compensation awarded from the fund shall take into consideration the market rates paid to persons of comparable training and experience who offer similar services, but may not exceed the comparable market rate for services paid by the public utility as part of its rate case expense.

(C)(1) Recommendations on the award of compensation by the administrator shall include consideration of whether the Commission adopted a material recommendation related to a significant issue in the docket and whether

participation caused a financial hardship to the participant and the payment of compensation is fair, just and reasonable.

(2) Recommendations on the award of compensation by the administrator shall be submitted to the Commission for approval. Unless the Commission initiates an investigation within 45 days after the notice to the Commission, the award of compensation shall be allowed 45 days after notice to the Commission. Such notice shall be given by filing with the Commission on the Commission's e-docket system, and keeping open for public inspection the award for compensation proposed by the Administrator. The Commission shall have power, and it is hereby given authority, either upon complaint or upon its own initiative without complaint, at once, and if it so orders, without answer or other formal pleadings, but upon reasonable notice, to enter upon a hearing concerning the propriety of the award.

(c) The Commission may adopt rules to implement this Section.

(Source: P.A. 96-33, eff. 7-10-09.)

(220 ILCS 5/9-241) (from Ch. 111 2/3, par. 9-241)

Sec. 9-241. No public utility shall, as to rates or other charges, services, facilities or in other respect, make or grant any preference or advantage to any corporation or person

or subject any corporation or person to any prejudice or disadvantage. No public utility shall establish or maintain any unreasonable difference as to rates or other charges, services, facilities, or in any other respect, either as between localities or as between classes of service.

However, nothing in this Section shall be construed as limiting the authority of the Commission to permit the establishment of economic development rates as incentives to economic development either in enterprise zones as designated by the State of Illinois or in other areas of a utility's service area. Such rates should be available to existing businesses which demonstrate an increase to existing load as well as new businesses which create new load for a utility so as to create a more balanced utilization of generating capacity. The Commission shall ensure that such rates are established at a level which provides a net benefit to customers within a public utility's service area.

On or before January 1, 2023, the Commission shall conduct a comprehensive study to assess whether low-income discount rates for electric and natural gas residential customers are appropriate and the potential design and implementation of any such rates. The Commission shall include its findings, together with the appropriate recommendations, in a report to be provided to the General Assembly. Upon completion of the study, the Commission shall have the authority to permit or require electric and natural gas utilities to file a tariff

establishing low-income discount rates.

Such study shall assess, at a minimum, the following:

(1) customer eligibility requirements, including income-based eligibility and eligibility based on participation in or eligibility for certain public assistance programs;

(2) appropriate rate structures, including consideration of tiered discounts for different income levels;

(3) appropriate recovery mechanisms, including the consideration of volumetric charges and customer charges;

(4) appropriate verification mechanisms;

(5) measures to ensure customer confidentiality and data safeguards;

(6) outreach and consumer education procedures; and

(7) the impact that a low-income discount rate would have on the affordability of delivery service to low-income customers and customers overall.

The Commission shall adopt rules requiring utility companies to produce information, in the form of a mailing, and other approved methods of distribution, to its consumers, to inform the consumers of available rebates, discounts, credits, and other cost-saving mechanisms that can help them lower their monthly utility bills, and send out such information semi-annually, unless otherwise provided by this Article.

Prior to October 1, 1989, no public utility providing electrical or gas service shall consider the use of solar or other nonconventional renewable sources of energy by a customer as a basis for establishing higher rates or charges for any service or commodity sold to such customer; nor shall a public utility subject any customer utilizing such energy source or sources to any other prejudice or disadvantage on account of such use. No public utility shall without the consent of the Commission, charge or receive any greater compensation in the aggregate for a lesser commodity, product, or service than for a greater commodity, product or service of like character.

The Commission, in order to expedite the determination of rate questions, or to avoid unnecessary and unreasonable expense, or to avoid unjust or unreasonable discrimination between classes of customers, or, whenever in the judgment of the Commission public interest so requires, may, for rate making and accounting purposes, or either of them, consider one or more municipalities either with or without the adjacent or intervening rural territory as a regional unit where the same public utility serves such region under substantially similar conditions, and may within such region prescribe uniform rates for consumers or patrons of the same class.

Any public utility, with the consent and approval of the Commission, may as a basis for the determination of the charges made by it classify its service according to the

amount used, the time when used, the purpose for which used, and other relevant factors.

(Source: P.A. 91-357, eff. 7-29-99.)

(220 ILCS 5/16-105.5 new)

Sec. 16-105.5. Rate case filing and revenue-neutral rate design.

(a) An electric utility that files a general rate case pursuant to Section 9-201 of this Act or a Multi-Year Rate Plan pursuant to Section 16-108.18 of this Act may omit the rate design component of such filing and subsequently separately file this component with the Commission, subject to the requirements of subsections (b) and (c) of this Section.

(b) If the electric utility makes the election described in this Section, then the filing shall be consistent with the rate design and cost allocation across customer classes approved in the Commission's most recent order regarding the electric utility's request for a general adjustment to its rates entered under Section 9-201, subsection (e) of Section 16-108.5, or Section 16-108.18 of this Act, as applicable.

(c) If the electric utility makes the election described in this Section, then the following provisions apply to the separate filing of the revenue-neutral rate design component:

(1) No later than one year after the tariffs implementing the general rate case filing or Multi-year Rate Plan filing, as described in subsection (b) of this

Section, are placed into effect, the electric utility shall make a filing with the Commission that proposes changes to the tariffs to incorporate the findings of any final rate design orders of the Commission applicable to the electric utility and entered subsequent to the Commission's approval of the tariffs. If no such orders have been entered, then the electric utility must submit its separate revenue-neutral rate design filing no later than 3 years after the date on which the Commission's most recent final rate design order was entered for the electric utility. The electric utility's separate revenue-neutral rate design filing may either propose revenue-neutral tariff changes or refile the existing tariffs without change, which shall present the Commission with an opportunity to suspend the tariffs and consider revenue-neutral tariff changes related to rate design. The Commission shall, after notice and hearing, enter its order approving, or approving with modification, the proposed changes to the tariffs within 240 days after the electric utility's filing. Any changes ordered by the Commission shall become effective at the commencement of the first January monthly billing period that begins no earlier than 30 days after the Commission issues its order adopting such changes.

(2) Following Commission approval under paragraph (1) of this subsection (c), the electric utility shall make a

filing with the Commission during each subsequent 3-year period that either proposes revenue-neutral tariff changes or refiles the existing tariffs without change, which shall present the Commission with an opportunity to suspend the tariffs and consider revenue-neutral tariff changes related to rate design. The requirements of this paragraph (2) shall terminate at the time that the electric utility files a general rate case or Multi-Year Rate Plan that includes the rate design component.

(220 ILCS 5/16-105.6 new)

Sec. 16-105.6. Amortization of charges or credits.

(a) It is in the public interest to mitigate the customer bill impacts of large expenses incurred by electric utilities by directing that expenses exceeding the applicable threshold specified in this Section be amortized over the prescribed period. Such amortization will levelize customer bill impacts and, in many instances, better align the period of cost recovery with the period over which customers receive the benefit of the expenditure. Accordingly, an electric utility that files a general rate increase under Section 9-201 of this Act or a Multi-Year Rate Plan under Section 16-108.18 of this Act shall amortize, over a 5-year period, each charge or credit that exceeds the applicable amount identified in subsection (b) of this Section and that relates to (1) a workforce reduction program's severance costs; (2) changes in

accounting rules; (3) changes in law; (4) compliance with any Commission-initiated audit; and (5) a single storm or weather system, or other similar expense.

Any unamortized balance shall be reflected in rate base.

In this Section, "changes in law" includes any enactment, repeal, or amendment in a law, ordinance, rule, regulation, interpretation, permit, license, consent, or order, including those relating to taxes, accounting, or environmental matters, or in the interpretation or application thereof by any governmental authority occurring after the effective date of this amendatory Act of the 102nd General Assembly.

Nothing in this Section is intended to prohibit the Commission from reviewing the prudence and reasonableness of the costs amortized pursuant to this Section.

(b) An electric utility that serves more than 3,000,000 customers in the State shall amortize the full amount of each charge or credit described in subsection (a) of this Section that exceeds $10,000,000 in the applicable calendar year, and an electric utility that serves less than 3,000,000 customers in the State shall amortize the full amount of each such charge or credit that exceeds $3,700,000 in the applicable calendar year.

(220 ILCS 5/16-105.7 new)

Sec. 16-105.7. Revenue balancing adjustments.

(a) It is in the public interest to decouple electric

utility sales and revenues, to mitigate the impact on utilities of energy savings goals, to mitigate a utility's disincentive to promote energy efficiency, and to recognize changes in sales attributable to weather, electric vehicles and other electrification, adoption of distributed energy resources, and other volatile or uncontrollable factors without adversely affecting utility customers.

(b) For the purposes of this Section, "reconciliation period" means a period beginning with the January monthly billing period and extending through the December monthly billing period of the same calendar year.

(c) As set forth in subsection (d) of this Section, the Commission shall approve a tariff by which distribution revenues shall be compared annually to the revenue requirement or requirements approved by the Commission on which the rates giving rise to those revenues were based to prevent undercollections or overcollections. An electric utility shall submit an annual revenue balancing reconciliation report to the Commission reflecting the difference between the actual delivery service revenue and multi-year rate case revenue requirement for the applicable reconciliation and identifying the charges or credits to be applied thereafter. Such reconciliation and calculation of associated charges or credits shall be conducted on a customer class basis. The annual revenue balancing reconciliation report shall be filed with the Commission no later than March 20 of the year

following a reconciliation period. The Commission may initiate a review of the revenue balancing reconciliation report each year to determine if any subsequent adjustment is necessary to align actual delivery service revenue and rate case revenue requirement. If the Commission elects to initiate such review, the Commission shall, after notice and hearing, enter an order approving, or approving as modified, such revenue balancing reconciliation report no later than 120 days after the utility files its report with the Commission. If the Commission does not initiate such a review, the revenue balancing reconciliation report and the identified charges or credits shall be deemed accepted and approved 120 days after the utility files the report and shall not be subject to review in any other proceeding. Any balancing adjustment shall take effect during the following January monthly billing period.

(d) Each electric utility shall file a tariff in compliance with the provisions of this Section within 120 days after the effective date of this amendatory Act of the 102nd General Assembly. The Commission shall approve the tariff if it finds that it is consistent with the provisions of the Section. If the Commission does not so find, it shall approve the tariff with modification to conform it to the requirements of this Section or otherwise reject the tariff and explain how the utility can modify the tariff and refile to comply with the requirements of this Section.

(220 ILCS 5/16-105.10 new)

Sec. 16-105.10. Independent baseline assessment.

(a) Prior to the filing of the initial Multi-Year Integrated Grid Plan described in Section 16-105.17 of this Act, the General Assembly finds that an independent audit of the current state of the grid, and of the expenditures made since 2012, will need to be made.

Specifically, the General Assembly finds:

(1) Pursuant to the Energy Infrastructure Modernization Act and subsequent clarifying legislation, electric utilities in this State that serve over 300,000 retail customers have made substantial investments in the grid and advanced metering infrastructure.

(2) Before a Multi-Year Integrated Grid Plan is filed under Section 16-105.17, it is necessary to understand the benefits of these investments to the grid and to customers and to evaluate the current condition of the distribution grid.

(3) It is also necessary for electric utilities, the Commission, and stakeholders to have an independently verified set of data to establish the baseline for future distribution grid spending.

(4) The Commission has authority to order and implement the requirements of this Section under Section 8-102 of this Act.

(b) Terms used in this Section have the meanings given to

those terms in Sections 16-102, 16-107.6, and 16-108 of this Act.

(c) Within 30 days after the effective date of this amendatory Act of the 102nd General Assembly, the Commission shall issue an order initiating an audit of each electric utility serving over 300,000 retail customers in the State, which shall examine the following:

(1) An assessment of the distribution grid, as described in paragraph (2) of subsection (a) of this Section. The Commission shall have the authority to require additional items which it deems necessary.

(2) An analysis of the utility's capital projects placed into service in the preceding 9 years, including, but not limited to, assessing the value of deploying advanced metering infrastructure to modernize and optimize the grid and deliver value to customers.

(3) An analysis of the utility's initiatives to optimize the reliability and resiliency of the grid, other than through capital spending.

(4) Creation of a data baseline to inform the beginning of the multi-year integrated grid planning process described in Section 16-105.17 of this Act.

(5) Identification of any deficiencies in data which may impact the planning process.

(d) It is contemplated that the auditor will utilize materials filed with the Commission by the utilities with

respect to their expenditures in the preceding 9 years; however, the auditor may also, with Commission approval, assess other information deemed necessary to make its report.

(e) The results of the audit described in this Section shall be reflected in a report delivered to the Commission, describing the information specified in this Section. Such report is to be delivered no later than 180 days after the Commission enters its order pursuant to subsection (c) of this Section. It is understood that any public report may not contain items that are confidential or proprietary.

(f) The costs of an electric utility's audit described in this Section shall not exceed $500,000 and shall be paid for by the electric utility that is the subject of the audit. Such costs shall be a recoverable expense.

(g) The Commission shall have the authority to retain the services of an auditor to assist with the distribution planning process, as well as in docketed proceedings. Such expenses for these activities shall also be borne by the Commission.

(220 ILCS 5/16-105.17 new)

Sec. 16-105.17. Multi-Year Integrated Grid Plan.

(a) The General Assembly finds that ensuring alignment of regulated utility operations, expenditures, and investments with public benefit goals, including safety, reliability, resiliency, affordability, equity, emissions reductions, and

expansion of clean distributed energy resources, is critical to maximizing the benefits of the interconnected utility grid and cost-effective utility expenditures on the grid. It is the policy of the State to promote inclusive, comprehensive, transparent, cost-effective distribution system planning and disclosures processes that minimize long-term costs for Illinois customers and support the achievement of State renewable energy development and other clean energy, public health, and environmental policy goals. Utility distribution system expenditures, programs, investments, and policies must be evaluated in coordination with these goals. In particular, the General Assembly finds that:

(1) Investment in infrastructure to support and enable existing and new distributed energy resources creates significant economic development, environmental, and public health benefits in the State.

(2) Illinois' electricity distribution system must cost-effectively integrate renewable energy resources, including utility-scale renewable energy resources, community renewable generation, and distributed renewable energy resources, support beneficial electrification, including electric vehicle use and adoption, promote opportunities for third-party investment in nontraditional, grid-related technologies and resources such as batteries, solar photovoltaic panels, and smart thermostats, reduce energy usage generally and especially

during times of greatest reliance on fossil fuels, and enhance customer engagement opportunities.

(3) Inclusive distribution system planning is an essential tool for the Commission, public utilities, and stakeholders to effectively coordinate environmental, consumer, reliability, and equity goals at fair and reasonable costs, and for ensuring transparent utility accountability for meeting those goals.

(4) Any planning process should advance Illinois energy policy goals while ensuring utility investments are cost-effective. Such a process should maximize the sharing of information, minimize overlap with existing filing requirements to ensure robust stakeholder participation, and recognize the responsibility of the utility to manage the grid in a safe, reliable manner.

(5) The General Assembly is concerned that, in the absence of a transparent, meaningful distribution system planning process, utility investments may not always serve customers' best interests, appropriately promote the expansion of clean distributed energy resources, and advance equity and environmental justice.

(6) The General Assembly is also encouraged by the opportunities presented by nontraditional solutions to utility, customer, and grid needs that may be more efficient and cost-effective, and less environmentally harmful than traditional solutions. Nontraditional

solutions include distributed energy resources owned or implemented by customers and independent third parties, controllable load, beneficial electrification, or rate design that encourages efficient energy use.

(7) The General Assembly finds that Illinois utilities' current processes for planning their distribution system should be made more accessible and transparent to individuals and communities, and that more inclusive and accessible distribution system planning processes would be in the interests of all Illinois residents.

(8) The General Assembly finds it would be beneficial to require utilities to demonstrate how their spending promotes identified State clean energy goals, such as integrating renewable energy, empowering customers to make informed choices, supporting electric vehicles, beneficial electrification, and energy storage, achieving equity goals, enhancing resilience, and maintaining reliability.

The General Assembly therefore directs the utilities to implement distribution system planning as described in this Section in order to accelerate progress on Illinois clean energy and environmental goals and hold electric utilities publicly accountable for their performance.

(b) Unless otherwise specified, the terms used in this Section shall have the same meanings as defined in Sections 16-102 and 16-107.6. As used in this Section:

"Demand response" means measures that decrease peak electricity demand or shift demand from peak to off-peak periods.

"Distributed energy resources" or "DER" means a wide range of technologies that are connected to the grid, including those that are located on the customer side of the customer's electric meter and can provide value to the distribution system, including, but not limited to, distributed generation, energy storage, electric vehicles, and demand response technologies.

"Environmental justice communities" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its Program Administrator in the Illinois Solar for All Program.

(c) This Section applies to electric utilities serving more than 500,000 retail customers in the State.

(d) The Multi-Year Integrated Grid Plan ("the Plan") shall be designed to:

(1) ensure coordination of the State's renewable energy goals, climate and environmental goals with the utility's distribution system investments, and programs and policies over a 5-year planning horizon to maximize the benefits of each while ensuring utility expenditures are cost-effective;

(2) optimize utilization of electricity grid assets and resources to minimize total system costs;

(3) support efforts to bring the benefits of grid modernization and clean energy, including, but not limited to, deployment of distributed energy resources, to all retail customers, and support efforts to bring at least 40% of the benefits of those benefits to Equity Investment Eligible Communities. Nothing in this paragraph is meant to require a specific amount of spending in a particular geographic area;

(4) enable greater customer engagement, empowerment, and options for energy services;

(5) reduce grid congestion, minimize the time and expense associated with interconnection, and increase the capacity of the distribution grid to host increasing levels of distributed energy resources, to facilitate availability and development of distributed energy resources, particularly in locations that enhance consumer and environmental benefits;

(6) ensure opportunities for robust public participation through open, transparent planning processes.

(7) provide for the analysis of the cost-effectiveness of proposed system investments, which takes into account environmental costs and benefits;

(8) to the maximum extent practicable, achieve or support the achievement of Illinois environmental goals, including those described in Section 9.10 of the

Environmental Protection Act and Section 1-75 of the Illinois Power Agency Act, and emissions reductions required to improve the health, safety, and prosperity of all Illinois residents;

(9) support existing Illinois policy goals promoting the long-term growth of energy efficiency, demand response, and investments in renewable energy resources;

(10) provide sufficient public information to the Commission, stakeholders, and market participants in order to enable nonemitting customer-owned or third-party distributed energy resources, acting individually or in aggregate, to seamlessly and easily connect to the grid, provide grid benefits, support grid services, and achieve environmental outcomes, without necessarily requiring utility ownership or controlling interest over those resources, and enable those resources to act as alternatives to utility capital investments; and

(11) provide delivery services at rates that are affordable to all customers, including low-income customers.

(e) Plan Development Stakeholder Process.

(1) To promote the transparency of utility distributions system planned investments and the planning process for those investments, the Commission shall convene a workshop process, over a period of no less than 5 months, for each such utility for the purpose of

establishing an open, inclusive, and cooperative forum regarding such investments. The workshops shall be facilitated by an independent, third-party facilitator selected by the Commission. Data and projections provided through the workshop process shall be designed to provide participants with information about the electric utility's (i) historic distribution system investments for at least the 5 years prior to the year in which the workshop is held and (ii) planned investments for the 5-year period following the year in which the workshop is held. The workshop process shall recognize that estimates for later years will be less reliable and indicative of future conduct than estimates for earlier years and that the electric utility is subject to financial and system planning processes. No later than January 1, 2022, the facilitator shall initiate a series of workshops for each electric utility subject to this Section. The series of workshops shall include no fewer than 6 workshops and shall conclude no later than June 1, 2022.

(2) The workshops shall be designed to achieve the following objectives:

(A) review utilities' planned capital investments and supporting data;

(B) review how utilities plan to invest in their distribution system in order to meet the system's projected needs;

(C) review system and locational data on reliability, resiliency, DER, and service quality provided by the utilities;

(D) solicit and consider input from diverse stakeholders, including representatives from environmental justice communities, geographically diverse communities, low-income representatives, consumer representatives, environmental representatives, organized labor representatives, third-party technology providers, and utilities;

(E) consider proposals from utilities and stakeholders on programs and policies necessary to achieve the objectives in subsection (d) of this Section;

(F) consider proposals applicable to each component of the utilities' Multi-Year Integrated Grid Plan filings under paragraph (2) of subsection (f) of this Section;

(G) educate and equip interested stakeholders so that they can effectively and efficiently provide feedback and input to the electric utility; and

(H) review planned capital investment to ensure that delivery services are provided at rates that are affordable to all customers, including low-income customers.

(3) To the extent any of the information in

subparagraphs (A) through (H) of paragraph (2) of this subsection is designated as confidential and proprietary under the Commission's rules, the proponent of the designation shall have the burden of making the requisite showing under the Commission's rules. For data that is determined to be confidential or that includes personally identifiable information, the Commission may develop procedures and processes to enable data sharing with parties and stakeholders while ensuring the confidentiality of the information.

(4) Workshops should be organized and facilitated in a manner that encourages representation from diverse stakeholders, ensuring equitable opportunities for participation, without requiring formal intervention or representation by an attorney. Workshops should be held during both day and evening hours, in a variety of locations within each electric utility's service territory, and should allow remote participation.

(5) It is a goal of the State that this workshop process will provide a forum for interested stakeholders to effectively and efficiently provide feedback and input to the electric utility. It is also a goal of the State that stakeholder participation in this process will prepare stakeholders to more capably participate in Multi-Year Rate Plan proceedings conducted pursuant to Section 16-108.18 of this Act, if they so elect. As part of

the workshop process, the electric utility shall submit to the Commission the electric utility's capital investments proposal, and supporting data described in subparagraphs (A) through (C) of paragraph (2) of this subsection (e) before the start of workshops to allow interested stakeholders to reasonably review data before attending workshops. The Commission shall make public the utility capital investments proposal by posting it on the Commission's website and set the location and time of any workshop to be held as part of the workshop process, and establish a data request process, consistent with the Commission's rules, that affords workshop participants opportunities to submit data requests to the utility, and receive responses in accordance with the utility's obligations under the law, prior to the workshop, regarding the information described in this paragraph (5). Upon the written request of a workshop participant, the utility shall also present at a given workshop at least one appropriate company representative who can address the specific written questions or written categories of questions identified in advance by the workshop participant regarding issues related to the utility's Multi-Year Integrated Grid Plan. To facilitate public feedback, the administrator facilitating the workshops shall, throughout the workshop process, develop questions for stakeholder input on topics being considered. This may

include, but is not limited to: design of the workshop process, locational data and information provided by utilities, alignment of plans, programs, investments and objectives, and other topics as deemed appropriate by the Commission facilitation staff. Stakeholder feedback shall not be limited to these questions. The information provided as part of the workshop process pursuant to this subsection (e) is intended to be informational and to provide a preliminary view of costs and investments, which may change. Accordingly, the information provided pursuant to this subsection (e) shall not be binding on the utility and shall not be the sole basis for a finding in any Commission proceeding of imprudence, unreasonableness, or lack of use or usefulness of any individual or aggregate level of utility plant or other investment or expenditure addressed; however, information contained in the plan may be used in a proceeding before the Commission, with weight of such evidence to be determined by the Commission.

(6) Workshops shall not be considered settlement negotiations, compromise negotiations, or offers to compromise for the purposes of Illinois Rule of Evidence 408. All materials shared as a part of the workshop process, and that are not determined to be confidential as described in paragraph (3) of this subsection (e), shall be made publicly available on a website made available by the Commission.

(7) On conclusion of the workshops, the Commission shall open a comment period that allows interested and diverse stakeholders to submit comments and recommendations regarding the utility's Multi-Year Integrated Grid Plan filing. Based on the workshop process and stakeholder comments and recommendations offered verbally or in writing during the workshops and in writing during the comment period following the workshops, the independent third-party facilitator shall prepare a report, to be submitted to the Commission no later than July 1, 2022, describing the stakeholders, discussions, proposals, and areas of consensus and disagreement from the workshop process, and making recommendations to the Commission regarding the utility's Multi-Year Integrated Grid Plan. Interested stakeholders shall have an opportunity to provide comment on the independent third-party facilitator report.

(8) Based on discussions in the workshops, the independent third-party facilitator report, and stakeholder comments and recommendations made during and following the workshop process, the Commission shall issue initiating orders no later than August 1, 2022, requiring the electric utilities subject to this Section to file the first Multi-Year Integrated Grid Plan no later than January 20, 2023. The initiating orders shall specify the requirements applicable to the utilities' Multi-Year

Integrated Grid Plans, which shall supplement and not replace those requirements described in subsection (f) of this Section.

(f) Multi-Year Integrated Grid Plan.

(1) Pursuant to this subsection (f) and the initiating orders of the Commission, each electric utility subject to this Section shall, no later than January 20, 2023, submit its first Multi-Year Integrated Grid Plan. No later than January 20, 2026, and every 4 years thereafter, the utility shall submit its subsequent Plan. Each Plan shall:

(A) incorporate requirements established by the Commission in its initiating order; and

(B) propose distribution system investment programs, policies, and plans designed to optimize achievement of the objectives set forth in subsection (d) of this Section and achieve the metrics approved by the Commission pursuant to Section 16-108.18 of this Act.

To the extent practicable and reasonable, all programs, policies, and initiatives proposed by the utility in its plan should be informed by stakeholder input received during the workshop process pursuant to subsection (e) of this Section. Where specific stakeholder input has not been incorporated in proposed programs, policies, and plans, the electric utility shall provide an explanation as to why that input was not incorporated.

(2) In order to ensure electric utilities' ability to meet the goals and objectives set forth in this Section, the Multi-Year Integrated Grid Plans must include, at minimum, the following information:

(A) A description of the utility's distribution system planning process, including:

(i) the overview of the process, including frequency and duration of the process, roles, and responsibilities of utility personnel and departments involved;

(ii) a summary of the meetings with stakeholders conducted prior to filing of the plan with the Commission.

(iii) the description of any coordination of the processes with any other planning process internal or external to the utility, including those required by a regional transmission operator.

(B) A detailed description of the current operating conditions for the distribution system separately presented for each of the utility's operating areas, where possible, including a detailed description, with supporting data, of system conditions, including baseline data regarding the utility's distribution system from the utility's annual report to the Commission, total distribution

system substation capacity in kVa, total miles of primary overhead distribution wire, and total miles of primary underground distribution cable, distributed energy resource deployment by type, size, customer class, and geographic dispersion as to those DERs that have completed the interconnection process, the most current distribution line loss study, current and expected System Average Interruption Frequency Index and Customer Average Interruption Duration Index data for the system, identification of the system model software currently used and planned software deployments, and other data needs as requested by the Commission or as determined through Commission rules. The description shall also include the utility's most recent system load and peak demand forecast for at least the next 5 years, and up to 10 years if available, a discussion of how the forecast was prepared and how distributed energy resources and energy efficiency were factored into the forecast, and identification of the forecasting software currently used and planned software deployments.

(C) Financial Data.

(i) For each of the preceding 5 years, the utility's distribution system investments by the investment categories tracked by the utility, including, but not limited to, new business,

facility relocation, capacity expansion, system performance, preventive maintenance, corrective maintenance, the total amount of investments associated with the integration of DERs, the total amount of charges to DER developers and retail customers for interconnection of DERs to the distribution system, and a list of each major investment category the utility used to maintain its routine standing operational activities and the associated plant in service amount for each category in which the plant in service amount is at least $2,000,000;

(ii) For each of the preceding 5 years, data on and a discussion of the utility's distribution system operation and maintenance expenses;

(iii) A 5-year long-range forecast of distribution system capital investments and operational and maintenance expenses, including a discussion of any projections for expenses for the categories listed in subparagraph (i) of this item (C).

(D) System data on DERs on the utility's distribution system, including the total number and nameplate capacity of DERs that completed interconnection in the prior year, current DER deployment by type, size, and geographic dispersion,

to the extent that granular geographic information does not disclose personally identifiable information, and other data as requested by the Commission or determined by Commission rules.

(E) Hosting Capacity and Interconnection Requirements.

(i) The utility shall make available on its website the hosting capacity analysis results that shall include mapping and GIS capability, as well as any other requirements requested by the Commission or determined through Commission rules. The plan shall identify where the hosting capacity analysis results shall be made publicly available. This shall also include an assessment of the impact of utility investments over the next 5 years on hosting capacity and a narrative discussion of how the hosting capacity analysis advances customer-sited distributed energy resources, including electric vehicles, energy storage systems, and photovoltaic resources, and how the identification of interconnection points on the distribution system will support the continued development of distributed energy resources.

(ii) Discussion of the utility's interconnection requirements and how they comply

with the Commission's applicable regulations.

(F) Identification and discussion of the scenarios considered in the development of the utility's Multi-Year Integrated Grid Plan, including DER scenarios, and discussion of base-case and alternative scenarios, how the scenarios were developed and selected, and how the scenarios include a reasonable mix of DERs scenarios, types, and geographic dispersion. Scenarios shall at least consider the 5-year forecast horizon of the Multi-Year Integrated Grid Plan, but may also consider longer-term scenarios where data is available. The plan shall also include requirements requested by the Commission or determined through Commission rules.

(G) An evaluation of the short-term and long-run benefits and costs of distributed energy resources located on the distribution system, including, but not limited to, the locational, temporal, and performance-based benefits and costs of distributed energy resources. The utility shall use the results of this evaluation to inform its analysis of Solution Sourcing Opportunities, including nonwires alternatives, under subparagraph (K) of paragraph (2) subsection (f) of this Section. The Commission may use the data produced through this evaluation to, among other use-cases, inform the Commission's investigation

and establishment of tariffs and compensation for distributed energy resources interconnecting to the utility's distribution system, including rebates provided by the electric utility pursuant to Section 16-107.6 of this Act.

(H) Long-term Distribution System Investment Plan.

(i) The utility's planned distribution capital investments for the period covered by the planning process required by this Section, by the investment categories used by the utility, and with discussion of any individual planned projects with a planned total investment gross amount of $3,000,000 or more and of the alternatives considered by the utility to such individual projects including any non-traditional alternatives and DER alternatives, and supporting data. This shall provide sufficiently detailed explanations of how the planned investments shall support the goals in subsection (d) of this Section.

(ii) Discussion of how the utility's capital investments plan is consistent with Commission orders regarding the procurement of renewable resources as discussed in Section 16-111.5 of this Act, energy efficiency plans as discussed in Section 8-103B, distributed generation rebates as

discussed in Section 16-107.6, and any other Commission order affecting the goals described in subsection (d) of this Section.

(iii) A plan for achieving the applicable metrics that were approved by the Commission for the utility pursuant to subsection (e) of Section 16-108.18 of this Act.

(iv) A narrative discussion of the utility's vision for the distribution system over the next 5 years.

(v) Any additional information requested by the Commission or determined through Commission rules.

(I) A detailed description of historic distribution system operations and maintenance expenditures for the preceding 5 years and of planned or projected operations and maintenance expenditures for the period covered by the planning process required by this Section, as well as the data, reasoning and explanation supporting planned or projected expenditures. Any additional information requested by the Commission or determined through Commission rules.

(J) A detailed plan for achieving the applicable metrics that were approved by the Commission for the utility pursuant to subsection (e) of Section

16-108.18 of this Act, including, but not limited to, the following:

(i) A description of, exclusive of low-income rate relief programs and other income-qualified programs, how the utility is supporting efforts to bring 40% of benefits from programs, policies, and initiatives proposed in their Multi-Year Integrated Grid Plan to ratepayers in low-income and environmental justice communities. This shall also include any information requested by the Commission or determined through Commission rules. Nothing in this subparagraph is meant to require a specific amount of spending in a particular geographic area.

(ii) A detailed analysis of current and projected flexible resources, including resource type, size (in MW and MWh), location and environmental impact, as well as anticipated needs that can be met using flexible resources, to meet the goals described in subsection (d) of this Section, to meet the applicable metrics that were approved by the Commission for the utility pursuant to subsection (e) of Section 16-108.18 of this Act, and any other Commission order affecting the goals described in subsection (d) of this Section.

(iii) Any additional information requested by the Commission or determined through Commission rules.

(K) Identification of potential cost-effective solutions from nontraditional and third-party owned investments that could meet anticipated grid needs, including, but not limited to, distributed energy resources procurements, tariffs or contracts, programmatic solutions, rate design options, technologies or programs that facilitate load flexibility, nonwires alternatives, and other solutions that are intended to meet the objectives described at subsection (d). It is the policy of this State that cost-effective third-party or customer-owned distributed energy resources create robust competition and customer choice and shall be considered as appropriate. The Commission shall establish rules determining data or methods for Solution Sourcing Opportunities.

(L) A detailed description of the utility's interoperability plan, which must describe the manner in which the electric utility's current and planned distribution system investments will work together and exchange information and data, the extent to which the utility is implementing open standards and interfaces with third-party distributed energy resource owners

and aggregators, and the utility's plan for interoperability testing and certification.

(3) To the extent any information in utilities' Multi-Year Integrated Grid Plans is designated as confidential and proprietary under the Commission's rules, the proponent of the designation shall have the burden of making the requisite showing under the Commission's rules. For data that is determined to be confidential or that includes personally identifiable information, the Commission may develop procedures and processes to enable data sharing with parties and stakeholders while ensuring the confidentiality of the information. All confidential information exchanged, submitted, or shared by a utility pursuant to this Section shall be protected from intentional and accidental dissemination. The Commission shall have authority to supervise, protect, and restrict access to all confidential, commercially sensitive, or system security related information and data, and shall be authorized to take all necessary steps to protect that information from unauthorized disclosure. This paragraph shall not be interpreted to require a utility to make publicly available any information or data that could compromise the physical or cyber security of a utility's distribution system. Any party that accidentally disseminates confidential information obtained pursuant to a proceeding initiated in accordance with this Section, or

is the victim of a cyber-security breach, must notify the affected utility, the Illinois Attorney General, and the Commission staff with 24 hours of knowledge of such dissemination or breach. Any party that fails to provide required notification of such a breach shall be subject to remedies available to the Commission and the Illinois Attorney General.

(4) It is the policy of this State that holistic consideration of all related investments, planning processes, tariffs, rate design options, programs, and other utility policies and plans shall be required. To that end, the Commission shall consider, comprehensively, the impact of all related plans, tariffs, programs, and policies on the Plan and on each other, including:

(A) time-of-use pricing program pursuant to Section 16-107.7 of this Act, hourly pricing program pursuant to Section 16-107 of this Act, and any other time-variant or dynamic pricing program;

(B) distributed generation rebate pursuant to Section 16-107.6 of this Act;

(C) net electricity metering, pursuant to Section 16-107.5 of this Act;

(D) energy efficiency programs pursuant to Section 8-103B of this Act;

(E) beneficial electrification programs pursuant to Section 16-107.8 of this Act;

(F) Equitable Energy Upgrade Program pursuant to Section 16-111.10 of this Act;

(G) renewable energy programs and procurements set forth in the Illinois Power Agency Act, including, but not limited to, those set forth in the long-term renewable resources procurement plan developed pursuant to Section 1-20 of that Act; and

(H) other plans, programs, and policies that are relevant to distribution grid investments, costs, planning, and other categories as requested by the Commission.

The Plan shall comprehensively detail the relationship between these plans, tariffs, and programs and to the electric utility's achievement of the objectives in subsection (d). The Plan shall be designed to coordinate each of these plans, programs, and tariffs with the electric utility's long-term distribution system investment planning in order to maximize the benefits of each.

(5) The initiating order for the initial Multi-Year Integrated Grid Plan, as well as each electric utility's subsequent Integrated Grid Plans under subsection (g), shall begin a contested proceeding as described in subsection (d) of Section 10-101.1 of this Act.

(A) In evaluating a utility's Plan, the Commission shall consider, at minimum, whether the Plan:

(1) meets the objectives of this Section;

(2) includes the components in paragraph (2) of subsection (f) of this Section;

(3) considers and incorporates, where practicable, input from interested stakeholders, including parties and people who offer public comment without legal representation;

(4) considers nontraditional, including third-party owned, investment alternatives that can meet grid needs and provide additional benefits (including consumer, economic, and environmental benefits) beyond comparable, traditional utility-planned capital investments;

(5) equitably benefits environmental justice communities; and

(6) maximizes consumer, environmental, economic, and community benefits over a 10-year horizon.

(B) The Commission, after notice and hearing, shall modify each electric utility's Plan as necessary to comply with the objectives of this Section. The Commission may approve, or modify and approve, a Plan only if it finds that the Plan is reasonable, complies with the objectives and requirements of this Section, and reasonably incorporates input from parties. The Commission may reject each electric utility's Plan if

it finds that the Plan does not comply with the objectives and requirements of this Section. If the Commission enters an order rejecting a Plan, the utility must refile a Plan within 3 months after that order, and until the Commission approves a Plan, the utility's existing Plan will remain in effect.

(C) For the initial Integrated Grid Plan filings, the Commission shall enter an order approving, modifying, or rejecting the Plan no later than December 15, 2023. For subsequent Integrated Grid Plan filings, the Commission shall enter an order approving, modifying, or rejecting the Plan no later than December 15 of the year in which it was filed.

(D) Each electric utility shall file its proposed Initial Multi-Year Integrated Grid Plan no later than January 20, 2023. Prior to that date and following the initiating order, the Commission shall initiate a case management conference and shall take any appropriate steps to begin meaningful consideration of issues, including enabling interested parties to begin conducting discovery.

(6) As part of its order approving a utility's Multi-Year Integrated Grid Plan, including any modifications required, the Commission may create a subsequent implementation plan docket, or multiple implementation plan dockets, if the Commission determines

that multiple dockets would be preferable, to consider a utility's detailed plan or plans, as directed in the Commission's order.

(g) No later than January 20, 2026 and every 4 years thereafter, each electric utility subject to this Section shall file a new Multi-Year Integrated Grid Plan for the subsequent 4 delivery years after the completion of the then-effective Plan. Each Plan shall meet the requirements described in subsection (f) of this Section, and shall be preceded by a workshop process which meets the same requirements described in subsection (e). If appropriate, the Commission may require additional implementation dockets to follow Subsequent Multi-Year Integrated Grid Plan filings.

(h) During the period leading to approval of the first Multi-Year Integrated Grid Plan, each electric utility will necessarily continue to invest in its distribution grid. Those investments will be subject to a determination of prudence and reasonableness consistent with Commission practice and law. Any failure of such investments to conform to the Multi-Year Integrated Grid Plan ultimately approved shall not imply imprudence or unreasonableness.

(i) The Commission shall adopt rules to carry out the provisions of this Section under the emergency rulemaking provisions set forth in Section 5-45 of the Illinois Administrative Procedure Act, and such emergency rules may be effective no later than 90 days after the effective date of

this amendatory Act of the 102nd General Assembly.

(220 ILCS 5/16-107.5)

Sec. 16-107.5. Net electricity metering.

(a) The General Assembly ~~Legislature~~ finds and declares that a program to provide net electricity metering, as defined in this Section, for eligible customers can encourage private investment in renewable energy resources, stimulate economic growth, enhance the continued diversification of Illinois' energy resource mix, and protect the Illinois environment. Further, to achieve the goals of this Act that robust options for customer-site distributed generation continue to thrive in Illinois, the General Assembly finds that a predictable transition must be ensured for customers between full net metering at the retail electricity rate to the distribution generation rebate described in Section 16-107.6.

(b) As used in this Section, (i) "community renewable generation project" shall have the meaning set forth in Section 1-10 of the Illinois Power Agency Act; (ii) "eligible customer" means a retail customer that owns, hosts, or operates, including any third-party owned systems, a solar, wind, or other eligible renewable electrical generating facility ~~with a rated capacity of not more than 2,000 kilowatts~~ that is located on the customer's premises or customer's side of the billing meter and is intended primarily to offset the customer's own current or future electrical

requirements; (iii) "electricity provider" means an electric utility or alternative retail electric supplier; (iv) "eligible renewable electrical generating facility" means a generator, which may include the co-location of an energy storage system, that is interconnected under rules adopted by the Commission and is powered by solar electric energy, wind, dedicated crops grown for electricity generation, agricultural residues, untreated and unadulterated wood waste, ~~landscape trimmings,~~ livestock manure, anaerobic digestion of livestock or food processing waste, fuel cells or microturbines powered by renewable fuels, or hydroelectric energy; (v) "net electricity metering" (or "net metering") means the measurement, during the billing period applicable to an eligible customer, of the net amount of electricity supplied by an electricity provider to the customer ~~customer's premises~~ or provided to the electricity provider by the customer or subscriber; (vi) "subscriber" shall have the meaning as set forth in Section 1-10 of the Illinois Power Agency Act; ~~and~~ (vii) "subscription" shall have the meaning set forth in Section 1-10 of the Illinois Power Agency Act; (viii) "energy storage system" means commercially available technology that is capable of absorbing energy and storing it for a period of time for use at a later time, including, but not limited to, electrochemical, thermal, and electromechanical technologies, and may be interconnected behind the customer's meter or interconnected behind its own meter; and (ix) "future

electrical requirements" means modeled electrical requirements upon occupation of a new or vacant property, and other reasonable expectations of future electrical use, as well as, for occupied properties, a reasonable approximation of the annual load of 2 electric vehicles and, for non-electric heating customers, a reasonable approximation of the incremental electric load associated with fuel switching. The approximations shall be applied to the appropriate net metering tariff and do not need to be unique to each individual eligible customer. The utility shall submit these approximations to the Commission for review, modification, and approval.

(c) A net metering facility shall be equipped with metering equipment that can measure the flow of electricity in both directions at the same rate.

(1) For eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is not provided based on hourly pricing, this shall typically be accomplished through use of a single, bi-directional meter. If the eligible customer's existing electric revenue meter does not meet this requirement, the electricity provider shall arrange for the local electric utility or a meter service provider to install and maintain a new revenue meter at

the electricity provider's expense, which may be the smart meter described by subsection (b) of Section 16-108.5 of this Act.

(2) For eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt demand basis and electric supply service is not provided based on hourly pricing, this shall typically be accomplished through use of a dual channel meter capable of measuring the flow of electricity both into and out of the customer's facility at the same rate and ratio. If such customer's existing electric revenue meter does not meet this requirement, then the electricity provider shall arrange for the local electric utility or a meter service provider to install and maintain a new revenue meter at the electricity provider's expense, which may be the smart meter described by subsection (b) of Section 16-108.5 of this Act.

(3) For all other eligible customers, until such time as the local electric utility installs a smart meter, as described by subsection (b) of Section 16-108.5 of this Act, the electricity provider may arrange for the local electric utility or a meter service provider to install and maintain metering equipment capable of measuring the flow of electricity both into and out of the customer's

facility at the same rate and ratio, typically through the use of a dual channel meter. If the eligible customer's existing electric revenue meter does not meet this requirement, then the costs of installing such equipment shall be paid for by the customer.

(d) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is not provided based on hourly pricing in the following manner:

(1) If the amount of electricity used by the customer during the billing period exceeds the amount of electricity produced by the customer, the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in subsection (e-5) of this Section.

(2) If the amount of electricity produced by a customer during the billing period exceeds the amount of electricity used by the customer during that billing period, the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour credit to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity

provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.

(3) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits in the customer's account shall expire.

(d-5) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt-hour basis and electric supply service is provided based on hourly pricing <u>or time-of-use rates</u> in the following manner:

(1) If the amount of electricity used by the customer during any hourly period <u>or time-of-use period</u> exceeds the amount of electricity produced by the customer, the electricity provider shall charge the customer for the net electricity supplied to and used by the customer according to the terms of the contract or tariff to which the same

customer would be assigned to or be eligible for if the customer was not a net metering customer.

(2) If the amount of electricity produced by a customer during any hourly period or time-of-use period exceeds the amount of electricity used by the customer during that hourly period or time-of-use period, the energy provider shall apply a credit for the net kilowatt-hours produced in such period. The credit shall consist of an energy credit and a delivery service credit. The energy credit shall be valued at the same price per kilowatt-hour as the electric service provider would charge for kilowatt-hour energy sales during that same hourly period or time-of-use period. The delivery credit shall be equal to the net kilowatt-hours produced in such hourly period or time-of-use period times a credit that reflects all kilowatt-hour based charges in the customer's electric service rate, excluding energy charges.

(e) An electricity provider shall measure and charge or credit for the net electricity supplied to eligible customers whose electric service has not been declared competitive pursuant to Section 16-113 of this Act as of July 1, 2011 and whose electric delivery service is provided and measured on a kilowatt demand basis and electric supply service is not provided based on hourly pricing in the following manner:

(1) If the amount of electricity used by the customer during the billing period exceeds the amount of

electricity produced by the customer, then the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in subsection (e-5) of this Section. The customer shall remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer.

(2) If the amount of electricity produced by a customer during the billing period exceeds the amount of electricity used by the customer during that billing period, then the electricity provider supplying that customer shall apply a 1:1 kilowatt-hour credit that reflects the kilowatt-hour based charges in the customer's electric service rate to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider. The electricity provider shall continue to carry over any excess kilowatt-hour credits earned and apply those credits to subsequent billing periods to offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.

(3) At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits

in the customer's account shall expire.

(e-5) An electricity provider shall provide electric service to eligible customers who utilize net metering at non-discriminatory rates that are identical, with respect to rate structure, retail rate components, and any monthly charges, to the rates that the customer would be charged if not a net metering customer. An electricity provider shall not charge net metering customers any fee or charge or require additional equipment, insurance, or any other requirements not specifically authorized by interconnection standards authorized by the Commission, unless the fee, charge, or other requirement would apply to other similarly situated customers who are not net metering customers. The customer will remain responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the net amount of electricity used by the customer. Subsections (c) through (e) of this Section shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to, the provision of the appropriate metering equipment for non-residential customers.

(f) Notwithstanding the requirements of subsections (c) through (e-5) of this Section, an electricity provider must require dual-channel metering for customers operating eligible renewable electrical generating facilities ~~with a nameplate~~

~~rating up to 2,000 kilowatts and~~ to whom the provisions of neither subsection (d), (d-5), nor (e) of this Section apply. In such cases, electricity charges and credits shall be determined as follows:

(1) The electricity provider shall assess and the customer remains responsible for all taxes, fees, and utility delivery charges that would otherwise be applicable to the gross amount of kilowatt-hours supplied to the eligible customer by the electricity provider.

(2) Each month that service is supplied by means of dual-channel metering, the electricity provider shall compensate the eligible customer for any excess kilowatt-hour credits at the electricity provider's avoided cost of electricity supply over the monthly period or as otherwise specified by the terms of a power-purchase agreement negotiated between the customer and electricity provider.

(3) For all eligible net metering customers taking service from an electricity provider under contracts or tariffs employing hourly or time-of-use ~~time of use~~ rates, any monthly consumption of electricity shall be calculated according to the terms of the contract or tariff to which the same customer would be assigned to or be eligible for if the customer was not a net metering customer. When those same customer-generators are net generators during any discrete hourly or time-of-use ~~time of use~~ period, the

net kilowatt-hours produced shall be valued at the same price per kilowatt-hour as the electric service provider would charge for retail kilowatt-hour sales during that same time-of-use ~~time of use~~ period.

(g) For purposes of federal and State laws providing renewable energy credits or greenhouse gas credits, the eligible customer shall be treated as owning and having title to the renewable energy attributes, renewable energy credits, and greenhouse gas emission credits related to any electricity produced by the qualified generating unit. The electricity provider may not condition participation in a net metering program on the signing over of a customer's renewable energy credits; provided, however, this subsection (g) shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth the ownership or title of the credits.

(h) Within 120 days after the effective date of this amendatory Act of the 95th General Assembly, the Commission shall establish standards for net metering and, if the Commission has not already acted on its own initiative, standards for the interconnection of eligible renewable generating equipment to the utility system. The interconnection standards shall address any procedural barriers, delays, and administrative costs associated with the interconnection of customer-generation while ensuring the safety and reliability of the units and the electric utility

system. The Commission shall consider the Institute of Electrical and Electronics Engineers (IEEE) Standard 1547 and the issues of (i) reasonable and fair fees and costs, (ii) clear timelines for major milestones in the interconnection process, (iii) nondiscriminatory terms of agreement, and (iv) any best practices for interconnection of distributed generation.

(h-5) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, the Commission shall:

(1) establish an Interconnection Working Group. The working group shall include representatives from electric utilities, developers of renewable electric generating facilities, other industries that regularly apply for interconnection with the electric utilities, representatives of distributed generation customers, the Commission Staff, and such other stakeholders with a substantial interest in the topics addressed by the Interconnection Working Group. The Interconnection Working Group shall address at least the following issues:

(A) cost and best available technology for interconnection and metering, including the standardization and publication of standard costs;

(B) transparency, accuracy and use of the distribution interconnection queue and hosting capacity maps;

(C) distribution system upgrade cost avoidance through use of advanced inverter functions;

(D) predictability of the queue management process and enforcement of timelines;

(E) benefits and challenges associated with group studies and cost sharing;

(F) minimum requirements for application to the interconnection process and throughout the interconnection process to avoid queue clogging behavior;

(G) process and customer service for interconnecting customers adopting distributed energy resources, including energy storage;

(H) options for metering distributed energy resources, including energy storage;

(I) interconnection of new technologies, including smart inverters and energy storage;

(J) collect, share, and examine data on Level 1 interconnection costs, including cost and type of upgrades required for interconnection, and use this data to inform the final standardized cost of Level 1 interconnection; and

(K) such other technical, policy, and tariff issues related to and affecting interconnection performance and customer service as determined by the Interconnection Working Group.

The Commission may create subcommittees of the Interconnection Working Group to focus on specific issues of importance, as appropriate. The Interconnection Working Group shall report to the Commission on recommended improvements to interconnection rules and tariffs and policies as determined by the Interconnection Working Group at least every 6 months. Such reports shall include consensus recommendations of the Interconnection Working Group and, if applicable, additional recommendations for which consensus was not reached. The Commission shall use the report from the Interconnection Working Group to determine whether processes should be commenced to formally codify or implement the recommendations;

(2) create or contract for an Ombudsman to resolve interconnection disputes through non-binding arbitration. The Ombudsman may be paid in full or in part through fees levied on the initiators of the dispute; and

(3) determine a single standardized cost for Level 1 interconnections, which shall not exceed $200.

(i) All electricity providers shall begin to offer net metering no later than April 1, 2008.

(j) An electricity provider shall provide net metering to eligible customers according to subsections (d), (d-5), and (e). Eligible renewable electrical generating facilities for which eligible customers registered for net metering before January 1, 2025 shall continue to receive net metering

services according to subsections (d), (d-5), and (e) of this Section for the lifetime of the system, regardless of whether those retail customers change electricity providers or whether the retail customer benefiting from the system changes. On and after January 1, 2025, any eligible customer that applies for net metering and previously would have qualified under subsections (d), (d-5), or (e) shall only be eligible for net metering as described in subsection (n). ~~until the load of its net metering customers equals 5% of the total peak demand supplied by that electricity provider during the previous year. After such time as the load of the electricity provider's net metering customers equals 5% of the total peak demand supplied by that electricity provider during the previous year, eligible customers that begin taking net metering shall only be eligible for netting of energy.~~

(k) Each electricity provider shall maintain records and report annually to the Commission the total number of net metering customers served by the provider, as well as the type, capacity, and energy sources of the generating systems used by the net metering customers. Nothing in this Section shall limit the ability of an electricity provider to request the redaction of information deemed by the Commission to be confidential business information.

(l)(1) Notwithstanding the definition of "eligible customer" in item (ii) of subsection (b) of this Section, each electricity provider shall allow net metering as set forth in

this subsection (l) and for the following projects, provided that only electric utilities serving more than 200,000 customers as of January 1, 2021 shall provide net metering for projects that are eligible for subparagraph (C) of this paragraph (1) and have energized after the effective date of this amendatory Act of the 102nd General Assembly:

(A) properties owned or leased by multiple customers that contribute to the operation of an eligible renewable electrical generating facility through an ownership or leasehold interest of at least 200 watts in such facility, such as a community-owned wind project, a community-owned biomass project, a community-owned solar project, or a community methane digester processing livestock waste from multiple sources, provided that the facility is also located within the utility's service territory;

(B) individual units, apartments, or properties located in a single building that are owned or leased by multiple customers and collectively served by a common eligible renewable electrical generating facility, such as an office or apartment building, a shopping center or strip mall served by photovoltaic panels on the roof; and

(C) subscriptions to community renewable generation projects, including community renewable generation projects on the customer's side of the billing meter of a host facility and partially used for the customer's own load.

In addition, the nameplate capacity of the eligible renewable electric generating facility that serves the demand of the properties, units, or apartments identified in paragraphs (1) and (2) of this subsection (l) shall not exceed 5,000 ~~2,000~~ kilowatts in nameplate capacity in total. Any eligible renewable electrical generating facility or community renewable generation project that is powered by photovoltaic electric energy and installed after the effective date of this amendatory Act of the 99th General Assembly must be installed by a qualified person in compliance with the requirements of Section 16-128A of the Public Utilities Act and any rules or regulations adopted thereunder.

(2) Notwithstanding anything to the contrary, an electricity provider shall provide credits for the electricity produced by the projects described in paragraph (1) of this subsection (l). The electricity provider shall provide credits that include at least energy supply, capacity, transmission, and, if applicable, the purchased energy adjustment ~~at the subscriber's energy supply rate~~ on the subscriber's monthly bill equal to the subscriber's share of the production of electricity from the project, as determined by paragraph (3) of this subsection (l). For customers with transmission or capacity charges not charged on a kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit

these approximation methodologies to the Commission for review, modification, and approval. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis.

(3) Notwithstanding anything to the contrary and regardless of whether a subscriber to an eligible community renewable generation project receives power and energy service from the electric utility or an alternative retail electric supplier, for projects eligible under paragraph (C) of subparagraph (1) of this subsection (l), electric utilities serving more than 200,000 customers as of January 1, 2021 shall provide the monetary credits to a subscriber's subsequent bill for the electricity produced by community renewable generation projects. The electric utility shall provide monetary credits to a subscriber's subsequent bill at the utility's total price to compare equal to the subscriber's share of the production of electricity from the project, as determined by paragraph (5) of this subsection (l). For the purposes of this subsection, "total price to compare" means the rate or rates published by the Illinois Commerce Commission for energy supply for eligible customers receiving supply service from the electric utility, and shall include energy, capacity, transmission, and the purchased energy adjustment. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing

programs shall have credits applied on a monthly basis. Any applicable credit or reduction in load obligation from the production of the community renewable generating projects receiving a credit under this subsection shall be credited to the electric utility to offset the cost of providing the credit. To the extent that the credit or load obligation reduction does not completely offset the cost of providing the credit to subscribers of community renewable generation projects as described in this subsection, the electric utility may recover the remaining costs through its Multi-Year Rate Plan. All electric utilities serving 200,000 or fewer customers as of January 1, 2021 shall only provide the monetary credits to a subscriber's subsequent bill for the electricity produced by community renewable generation projects if the subscriber receives power and energy service from the electric utility. Alternative retail electric suppliers providing power and energy service to a subscriber located within the service territory of an electric utility not subject to Sections 16-108.18 and 16-118 shall provide the monetary credits to the subscriber's subsequent bill for the electricity produced by community renewable generation projects.

(4) If requested by the owner or operator of a community renewable generating project, an electric utility serving more than 200,000 customers as of January 1, 2021 shall enter into a net crediting agreement with the owner or operator to include

a subscriber's subscription fee on the subscriber's monthly electric bill and provide the subscriber with a net credit equivalent to the total bill credit value for that generation period minus the subscription fee, provided the subscription fee is structured as a fixed percentage of bill credit value. The net crediting agreement shall set forth payment terms from the electric utility to the owner or operator of the community renewable generating project, and the electric utility may charge a net crediting fee to the owner or operator of a community renewable generating project that may not exceed 2% of the bill credit value. Notwithstanding anything to the contrary, an electric utility serving 200,000 customers or fewer as of January 1, 2021 shall not be obligated to enter into a net crediting agreement with the owner or operator of a community renewable generating project.

(5) ~~(3)~~ For the purposes of facilitating net metering, the owner or operator of the eligible renewable electrical generating facility or community renewable generation project shall be responsible for determining the amount of the credit that each customer or subscriber participating in a project under this subsection (l) is to receive in the following manner:

(A) The owner or operator shall, on a monthly basis, provide to the electric utility the kilowatthours of generation attributable to each of the utility's retail customers and subscribers participating in projects under

this subsection (l) in accordance with the customer's or subscriber's share of the eligible renewable electric generating facility's or community renewable generation project's output of power and energy for such month. The owner or operator shall electronically transmit such calculations and associated documentation to the electric utility, in a format or method set forth in the applicable tariff, on a monthly basis so that the electric utility can reflect the monetary credits on customers' and subscribers' electric utility bills. The electric utility shall be permitted to revise its tariffs to implement the provisions of this amendatory Act of the 102nd General Assembly ~~this amendatory Act of the 99th General Assembly~~. The owner or operator shall separately provide the electric utility with the documentation detailing the calculations supporting the credit in the manner set forth in the applicable tariff.

(B) For those participating customers and subscribers who receive their energy supply from an alternative retail electric supplier, the electric utility shall remit to the applicable alternative retail electric supplier the information provided under subparagraph (A) of this paragraph (3) for such customers and subscribers in a manner set forth in such alternative retail electric supplier's net metering program, or as otherwise agreed between the utility and the alternative retail electric

supplier. The alternative retail electric supplier shall then submit to the utility the amount of the charges for power and energy to be applied to such customers and subscribers, including the amount of the credit associated with net metering.

(C) A participating customer or subscriber may provide authorization as required by applicable law that directs the electric utility to submit information to the owner or operator of the eligible renewable electrical generating facility or community renewable generation project to which the customer or subscriber has an ownership or leasehold interest or a subscription. Such information shall be limited to the components of the net metering credit calculated under this subsection (l), including the bill credit rate, total kilowatthours, and total monetary credit value applied to the customer's or subscriber's bill for the monthly billing period.

(l-5) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly ~~this amendatory Act of the 99th General Assembly~~, each electric utility subject to this Section shall file a tariff or tariffs to implement the provisions of subsection (l) of this Section, which shall, consistent with the provisions of subsection (l), describe the terms and conditions under which owners or operators of qualifying properties, units, or apartments may participate in net metering. The Commission shall approve, or

approve with modification, the tariff within 120 days after the effective date of this amendatory Act of the 102nd General Assembly ~~this amendatory Act of the 99th General Assembly~~.

(m) Nothing in this Section shall affect the right of an electricity provider to continue to provide, or the right of a retail customer to continue to receive service pursuant to a contract for electric service between the electricity provider and the retail customer in accordance with the prices, terms, and conditions provided for in that contract. Either the electricity provider or the customer may require compliance with the prices, terms, and conditions of the contract.

(n) On and after January 1, 2025 ~~At such time, if any, that the load of the electricity provider's net metering customers equals 5% of the total peak demand supplied by that electricity provider during the previous year, as specified in subsection (j) of this Section~~, the net metering services described in subsections (d), (d-5), and (e)~~, (e-5), and (f)~~ of this Section shall no longer be offered, except as to those eligible renewable electrical generating facilities for which retail customers ~~that~~ are receiving net metering service under these subsections at the time the net metering services under those subsections are no longer offered; those systems shall continue to receive net metering services described in subsections (d), (d-5), and (e) of this Section for the lifetime of the system, regardless of if those retail customers change electricity providers or whether the retail

customer benefiting from the system changes. The electric utility serving more than 200,000 customers as of January 1, 2021 is responsible for ensuring the billing credits continue without lapse for the lifetime of systems, as required in subsection (o). Those retail customers that begin taking net metering service after the date that net metering services are no longer offered under such subsections shall be subject to the provisions set forth in the following paragraphs (1) through (3) of this subsection (n):

(1) An electricity provider shall charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric supply service is not provided based on hourly pricing in the following manner:

(A) If the amount of electricity used by the customer during the monthly billing period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net kilowatt-hour based electricity charges reflected in the customer's electric service rate supplied to and used by the customer as provided in paragraph (3) of this subsection (n).

(B) If the amount of electricity produced by a customer during the monthly billing period exceeds the amount of electricity used by the customer during that billing period, then the electricity provider

supplying that customer shall apply a 1:1 kilowatt-hour energy or monetary credit kilowatt-hour supply charges to the customer's subsequent bill. The customer shall choose between 1:1 kilowatt-hour or monetary credit at the time of application. For the purposes of this subsection, "kilowatt-hour supply charges" means the kilowatt-hour equivalent values for energy, capacity, transmission, and the purchased energy adjustment, if applicable. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis. ~~that reflects the kilowatt-hour based energy charges in the customer's electric service rate to a subsequent bill for service to the customer for the net electricity supplied to the electricity provider.~~ The electricity provider shall continue to carry over any excess kilowatt-hour or monetary energy credits earned and apply those credits to subsequent billing periods. For customers with transmission or capacity charges not charged on a kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit these approximation methodologies to the Commission for review, modification, and approval. ~~to~~

~~offset any customer-generator consumption in those billing periods until all credits are used or until the end of the annualized period.~~

(C) (Blank). ~~At the end of the year or annualized over the period that service is supplied by means of net metering, or in the event that the retail customer terminates service with the electricity provider prior to the end of the year or the annualized period, any remaining credits in the customer's account shall expire.~~

(2) An electricity provider shall charge or credit for the net electricity supplied to eligible customers or provided by eligible customers whose electric supply service is provided based on hourly pricing in the following manner:

(A) If the amount of electricity used by the customer during any hourly period exceeds the amount of electricity produced by the customer, then the electricity provider shall charge the customer for the net electricity supplied to and used by the customer as provided in paragraph (3) of this subsection (n).

(B) If the amount of electricity produced by a customer during any hourly period exceeds the amount of electricity used by the customer during that hourly period, the energy provider shall calculate an energy credit for the net kilowatt-hours produced in such

period, and shall apply that credit as a monetary credit to the customer's subsequent bill. The value of the energy credit shall be calculated using the same price per kilowatt-hour as the electric service provider would charge for kilowatt-hour energy sales during that same hourly period and shall also include values for capacity and transmission. For customers with transmission or capacity charges not charged on a kilowatt-hour basis, the electricity provider shall prepare a reasonable approximation of the kilowatt-hour equivalent value and provide that value as a monetary credit. The electricity provider shall submit these approximation methodologies to the Commission for review, modification, and approval. Notwithstanding anything to the contrary, customers on payment plans or participating in budget billing programs shall have credits applied on a monthly basis.

(3) An electricity provider shall provide electric service to eligible customers who utilize net metering at non-discriminatory rates that are identical, with respect to rate structure, retail rate components, and any monthly charges, to the rates that the customer would be charged if not a net metering customer. An electricity provider shall charge the customer for the net electricity supplied to and used by the customer according to the terms of the

contract or tariff to which the same customer would be assigned or be eligible for if the customer was not a net metering customer. An electricity provider shall not charge net metering customers any fee or charge or require additional equipment, insurance, or any other requirements not specifically authorized by interconnection standards authorized by the Commission, unless the fee, charge, or other requirement would apply to other similarly situated customers who are not net metering customers. ~~The charge or credit that the customer receives for net electricity shall be at a rate equal to the customer's energy supply rate.~~ The customer remains responsible for the gross amount of delivery services charges, supply-related charges that are kilowatt based, and all taxes and fees related to such charges. The customer also remains responsible for all taxes and fees that would otherwise be applicable to the net amount of electricity used by the customer. Paragraphs (1) and (2) of this subsection (n) shall not be construed to prevent an arms-length agreement between an electricity provider and an eligible customer that sets forth different prices, terms, and conditions for the provision of net metering service, including, but not limited to, the provision of the appropriate metering equipment for non-residential customers. Nothing in this paragraph (3) shall be interpreted to mandate that a utility that is only required to provide delivery services

to a given customer must also sell electricity to such customer.

(o) Within 90 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric utility subject to this Section shall file a tariff, which shall, consistent with the provisions of this Section, propose the terms and conditions under which a customer may participate in net metering. The tariff for electric utilities serving more than 200,000 customers as of January 1, 2021 shall also provide a streamlined and transparent bill crediting system for net metering to be managed by the electric utilities. The terms and conditions shall include, but are not limited to, that an electric utility shall manage and maintain billing of net metering credits and charges regardless of if the eligible customer takes net metering under an electric utility or alternative retail electric supplier. The electric utility serving more than 200,000 customers as of January 1, 2021 shall process and approve all net metering applications, even if an eligible customer is served by an alternative retail electric supplier; and the utility shall forward application approval to the appropriate alternative retail electric supplier. Eligibility for net metering shall remain with the owner of the utility billing address such that, if an eligible renewable electrical generating facility changes ownership, the net metering eligibility transfers to the new owner. The electric utility

serving more than 200,000 customers as of January 1, 2021 shall manage net metering billing for eligible customers to ensure full crediting occurs on electricity bills, including, but not limited to, ensuring net metering crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address. All transfers referenced in the preceding sentence shall include transfer of all banked credits. All electric utilities serving 200,000 or fewer customers as of January 1, 2021 shall manage net metering billing for eligible customers receiving power and energy service from the electric utility to ensure full crediting occurs on electricity bills, ensuring net metering crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address. Alternative retail electric suppliers providing power and energy service to eligible customers located within the service territory of an electric utility serving 200,000 or fewer customers as of January 1, 2021 shall manage net metering billing for eligible customers to ensure full crediting occurs on electricity bills, including, but not limited to, ensuring net metering

crediting begins upon commercial operation date, net metering billing transfers immediately if an eligible customer switches from an electric utility to alternative retail electric supplier or vice versa, and net metering billing transfers between ownership of a valid billing address.

(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-107.6)

Sec. 16-107.6. Distributed generation rebate.

(a) In this Section:

"Additive services" means the services that distributed energy resources provide to the energy system and society that are not (1) already included in the base rebates for system-wide grid services; or (2) otherwise already compensated. Additive services may reflect, but shall not be limited to, any geographic, time-based, performance-based, and other benefits of distributed energy resources, as well as the present and future technological capabilities of distributed energy resources and present and future grid needs.

"Distributed energy resource" means a wide range of technologies that are located on the customer side of the customer's electric meter, including, but not limited to, distributed generation, energy storage, electric vehicles, and demand response technologies.

"Energy storage system" means commercially available technology that is capable of absorbing energy and storing it

for a period of time for use at a later time, including, but not limited to, electrochemical, thermal, and electromechanical technologies, and may be interconnected behind the customer's meter or interconnected behind its own meter.

"Smart inverter" means a device that converts direct current into alternating current and meets the IEEE 1547-2018 equipment standards. Until devices that meet the IEEE 1547-2018 standard are available, devices that meet the UL 1741 SA standard are acceptable. ~~can autonomously contribute to grid support during excursions from normal operating voltage and frequency conditions by providing each of the following: dynamic reactive and real power support, voltage and frequency ride-through, ramp rate controls, communication systems with ability to accept external commands, and other functions from the electric utility.~~

"Subscriber" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"Subscription" has the meaning set forth in Section 1-10 of the Illinois Power Agency Act.

"System-wide grid services" means the benefits that a distributed energy resource provides to the distribution grid for a period of no less than 25 years. System-wide grid services do not vary by location, time, or the performance characteristics of the distributed energy resource. System-wide grid services include, but are not limited to,

avoided or deferred distribution capacity costs, resilience and reliability benefits, avoided or deferred distribution operation and maintenance costs, distribution voltage and power quality benefits, and line loss reductions.

"Threshold date" means December 31, 2024 or the date on which the utility's tariff or tariffs setting the new compensation values established under subsection (e) take effect, whichever is later. ~~the load of an electricity provider's net metering customers equals 5% of the total peak demand supplied by that electricity provider during the previous year, as specified under subsection (j) of Section 16-107.5 of this Act.~~

(b) An electric utility that serves more than 200,000 customers in the State shall file a petition with the Commission requesting approval of the utility's tariff to provide a rebate to the owner or operator of ~~a retail customer who owns or operates~~ distributed generation, including third-party owned systems, that meets the following criteria:

(1) has a nameplate generating capacity no greater than 5,000 ~~2,000~~ kilowatts and is primarily used to offset a ~~that~~ customer's electricity load;

(2) is located on the customer's side of the billing meter and ~~premises, -~~for the customer's own use~~, and not for commercial use or sales, including, but not limited to, wholesale sales of electric power and energy~~;

~~(3) is located in the electric utility's service~~

~~territory; and~~

(3) ~~(4)~~ is interconnected to electric distribution facilities owned by the electric utility under rules adopted by the Commission by means of the inverter or smart inverter required by this Section, as applicable.

For purposes of this Section, "distributed generation" shall satisfy the definition of distributed renewable energy generation device set forth in Section 1-10 of the Illinois Power Agency Act to the extent such definition is consistent with the requirements of this Section.

In addition, any new photovoltaic distributed generation that is installed after June 1, 2017 (the effective date of Public Act 99-906) ~~this amendatory Act of the 99th General Assembly~~ must be installed by a qualified person, as defined by subsection (i) of Section 1-56 of the Illinois Power Agency Act.

The tariff shall include a base rebate that compensates distributed generation for the system-wide grid services associated with distributed generation and, after the proceeding described in subsection (e) of this Section, an additional payment or payments for the additive services. The tariff shall provide that the smart inverter associated with the distributed generation shall provide autonomous response to grid conditions through its default settings as approved by the Commission. Default settings may not be changed after the execution of the interconnection agreement except by mutual

agreement between the utility and the owner or operator of the distributed generation. ~~provide that the utility shall be permitted to operate and control the smart inverter associated with the distributed generation that is the subject of the rebate for the purpose of preserving reliability during distribution system reliability events and shall address the terms and conditions of the operation and the compensation associated with the operation.~~ Nothing in this Section shall negate or supersede Institute of Electrical and Electronics Engineers equipment ~~interconnection requirements or~~ standards or other similar standards or requirements. The tariff shall not limit the ability of the smart inverter or other distributed energy resource to provide wholesale market products such as regulation, demand response, or other services, or limit the ability of the owner of the smart inverter or the other distributed energy resource to receive compensation for providing those wholesale market products or services. ~~The tariff shall also provide for additional uses of the smart inverter that shall be separately compensated and which may include, but are not limited to, voltage and VAR support, regulation, and other grid services. As part of the proceeding described in subsection (c) of this Section, the Commission shall review and determine whether smart inverters can provide any additional uses or services. If the Commission determines that an additional use or service would be beneficial, the Commission shall determine the terms and~~

~~conditions of the operation and how the use or service should be separately compensated.~~

(b-5) Within 30 days after the effective date of this amendatory Act of the 102nd General Assembly, each electric public utility with 3,000,000 or more retail customers shall file a tariff with the Commission that further compensates any retail customer that installs or has installed photovoltaic facilities paired with energy storage facilities on or adjacent to its premises for the benefits the facilities provide to the distribution grid. The tariff shall provide that, in addition to the other rebates identified in this Section, the electric utility shall rebate to such retail customer (i) the previously incurred and future costs of installing interconnection facilities and related infrastructure to enable full participation in the PJM Interconnection, LLC or its successor organization frequency regulation market; and (ii) all wholesale demand charges incurred after the effective date of this amendatory Act of the 102nd General Assembly. The Commission shall approve, or approve with modification, the tariff within 120 days after the utility's filing.

(c) The proposed tariff authorized by subsection (b) of this Section shall include the following participation terms for ~~and formulae to calculate the value of the~~ rebates to be applied under this Section for distributed generation that satisfies the criteria set forth in subsection (b) of this

Section:

(1) The owner or operator of distributed generation that services ~~(1) Until the utility files its tariff or tariffs to place into effect the rebate values established by the Commission under subsection (e) of this Section, non-residential~~ customers not eligible for net metering under subsection (d), (d-5), or (e) of Section 16-107.5 of this Act ~~that are taking service under a net metering program offered by an electricity provider under the terms of Section 16-107.5 of this Act~~ may apply for a rebate as provided for in this Section. Until the threshold date, the ~~The~~ value of the rebate shall be $250 per kilowatt of nameplate generating capacity, measured as nominal DC power output, of that ~~a non-residential~~ customer's distributed generation. To the extent the distributed generation also has an associated energy storage, then the energy storage system shall be separately compensated with a base rebate of $250 per kilowatt-hour of nameplate capacity. Any distributed generation device that is compensated for storage in this subsection (1) before the threshold date shall participate in one or more programs determined through the Multi-Year Integrated Grid Planning process that are designed to meet peak reduction and flexibility. After the threshold date, the value of the base rebate and additional compensation for any additive services shall be as determined by the Commission in the

proceeding described in subsection (e) of this Section, provided that the value of the base rebate for system-wide grid services shall not be lower than $250 per kilowatt of nameplate generating capacity of distributed generation or community renewable generation project.

(2) The owner or operator of distributed generation that, before the threshold date, would have been eligible for net metering under subsection (d), (d-5), or (e) of Section 16-107.5 of this Act and that has not previously received a distributed generation rebate, may apply for a rebate as provided for in this Section. Until the threshold date, the value of the base rebate shall be $300 per kilowatt of nameplate generating capacity, measured as nominal DC power output, of the distributed generation. The owner or operator of distributed generation that, before the threshold date, is eligible for net metering under subsection (d), (d-5), or (e) of Section 16-107.5 of this Act may apply for a base rebate for an energy storage device that uses the same smart inverter as the distributed generation, regardless of whether the distributed generation applies for a rebate for the distributed generation device. The energy storage system shall be separately compensated at a base payment of $300 per kilowatt-hour of nameplate capacity. Any distributed generation device that is compensated for storage in this subsection (2) before the threshold date shall participate

in a peak time rebate program, hourly pricing program, or time-of-use rate program offered by the applicable electric utility. After the threshold date, the value of the base rebate and additional compensation for any additive services shall be as determined by the Commission in the proceeding described in subsection (e) of this Section, provided that, prior to December 31, 2029, the value of the base rebate for system-wide services shall not be lower than $300 per kilowatt of nameplate generating capacity of distributed generation, after which it shall not be lower than $250 per kilowatt of nameplate capacity.

~~(2) After the utility's tariff or tariffs setting the new rebate values established under subsection (d) of this Section take effect, retail customers may, as applicable, make the following elections:~~

~~(A) Residential customers that are taking service under a net metering program offered by an electricity provider under the terms of Section 16-107.5 of this Act on the threshold date may elect to either continue to take such service under the terms of such program as in effect on such threshold date for the useful life of the customer's eligible renewable electric generating facility as defined in such Section, or file an application to receive a rebate under the terms of this Section, provided that such application must be

~~submitted within 6 months after the effective date of the tariff approved under subsection (d) of this Section. The value of the rebate shall be the amount established by the Commission and reflected in the utility's tariff pursuant to subsection (e) of this Section.~~

~~(B) Non residential customers that are taking service under a net metering program offered by an electricity provider under the terms of Section 16 107.5 of this Act on the threshold date may apply for a rebate as provided for in this Section. The value of the rebate shall be the amount established by the Commission and reflected in the utility's tariff pursuant to subsection (e) of this Section.~~

(3) Upon approval of a rebate application submitted under this subsection (c), the retail customer shall no longer be entitled to receive any delivery service credits for the excess electricity generated by its facility and shall be subject to the provisions of subsection (n) of Section 16-107.5 of this Act.

(4) To be eligible for a rebate described in this subsection (c), the owner or operator of the distributed generation ~~customers who begin taking service after the effective date of this amendatory Act of the 99th General Assembly under a net metering program offered by an electricity provider under the terms of Section 16 107.5~~

~~of this Act~~ must have a smart inverter installed and in operation on the ~~associated with the customer's~~ distributed generation.

(d) The Commission shall review the proposed tariff authorized by subsection ~~submitted under subsections~~ (b) ~~and (c)~~ of this Section and may make changes to the tariff that are consistent with this Section and with the Commission's authority under Article IX of this Act, subject to notice and hearing. Following notice and hearing, the Commission shall issue an order approving, or approving with modification, such tariff no later than 240 days after the utility files its tariff. Upon the effective date of this amendatory Act of the 102nd General Assembly, an electric utility shall file a petition with the Commission to amend and update any existing tariffs to comply with subsections (b) and (c).

(e) By no later than June 30, 2023, ~~When the total generating capacity of the electricity provider's net metering customers is equal to 3%,~~ the Commission shall open an independent, statewide investigation into the value of, and compensation for, distributed energy resources. The Commission shall conduct the investigation, but may arrange for experts or consultants independent of the utilities and selected by the Commission to assist with the investigation. The cost of the investigation shall be shared by the utilities filing tariffs under subsection (b) of this Section but may be recovered as an expense through normal ratemaking procedures.

~~an annual process and formula for calculating the value of rebates for the retail customers described in subsections (b) and (f) of this Section that submit rebate applications after the threshold date for an electric utility that elected to file a tariff pursuant to this Section.~~

(1) The Commission shall ensure that the investigation includes, at minimum, diverse sets of stakeholders; a review of best practices in calculating the value of distributed energy resource benefits; a review of the full value of the distributed energy resources and the manner in which each component of that value is or is not otherwise compensated; and assessments of how the value of distributed energy resources may evolve based on the present and future technological capabilities of distributed energy resources and based on present and future grid needs.

(2) The Commission's final order concluding this investigation shall establish an annual process and formula for the compensation of distributed generation and energy storage systems, and an initial set of inputs for that formula. The Commission's final order concluding this investigation shall establish base rebates that compensate distributed generation, community renewable generation projects and energy storage systems for the system-wide grid services that they provide. Those base rebate values shall be consistent across the state, and shall not vary

by customer, customer class, customer location, or any other variable. With respect to rebates for distributed generation or community renewable generation projects, that rebate shall not be lower than $250 per kilowatt of nameplate generating capacity of the distributed generation or community renewable generation project. The Commission's final order concluding this proceeding shall also direct the utilities to update the formula, on an annual basis, with inputs derived from their integrated grid plans developed pursuant to Section 16-105.17. The base rebate shall be updated annually based on the annual updates to the formula inputs, but, with respect to rebates for distributed generation or community renewable generation projects, shall be no lower than $250 per kilowatt of nameplate generating capacity of the distributed generation or community renewable generation project.

(3) The Commission shall also determine, as a part of its investigation under this subsection, whether distributed energy resources can provide any additive services. Those additive services may include services that are provided through utility-controlled responses to grid conditions. If the Commission determines that distributed energy resources can provide additive grid services, the Commission shall determine the terms and conditions for the operation and compensation of those

services. That compensation shall be above and beyond the base rebate that the distributed energy generation, community renewable generation project and energy storage system receives. Compensation for additive services may vary by location, time, performance characteristics, technology types, or other variables.

(4) The Commission shall ensure that compensation for distributed energy resources, including base rebates and any payments for additive services, shall reflect all reasonably known and measurable values of the distributed generation over its full expected useful life. Compensation for additive services shall reflect, but shall not be limited to, any geographic, time-based, performance-based, and other benefits of distributed generation, as well as the present and future technological capabilities of distributed energy resources and present and future grid needs.

(5) The Commission shall consider the electric utility's integrated grid plan developed pursuant to Section 16-105.17 of this Act to help identify the value of distributed energy resources for the purpose of calculating the compensation described in this subsection.

(6) The Commission shall determine additional compensation for distributed energy resources that creates savings and value on the distribution system by being co-located or in close proximity to electric vehicle

charging infrastructure in use by medium-duty and heavy-duty vehicles, primarily serving environmental justice communities, as outlined in the utility integrated grid planning process under Section 16-105.17 of this Act.

No later than 60 days after the Commission enters its final order under this subsection (e), each utility shall file its updated tariff or tariffs in compliance with the order, including new tariffs for the recovery of costs incurred under this subsection (e) that shall provide for volumetric-based cost recovery, and the Commission shall approve, or approve with modification, the tariff or tariffs within 240 days after the utility's filing.

~~The investigation shall include diverse sets of stakeholders, calculations for valuing distributed energy resource benefits to the grid based on best practices, and assessments of present and future technological capabilities of distributed energy resources. The value of such rebates shall reflect the value of the distributed generation to the distribution system at the location at which it is interconnected, taking into account the geographic, time-based, and performance-based benefits, as well as technological capabilities and present and future grid needs. No later than 10 days after the Commission enters its final order under this subsection (e), the utility shall file its tariff or tariffs in compliance with the order, and the Commission shall approve, or approve with modification, the~~

~~tariff or tariffs within 45 days after the utility's filing. For those rebate applications filed after the threshold date but before the utility's tariff or tariffs filed pursuant to this subsection (c) take effect, the value of the rebate shall remain at the value established in subsection (c) of this Section until the tariff is approved.~~

(f) Notwithstanding any provision of this Act to the contrary, the owner or operator ~~, developer, or subscriber~~ of a community renewable generation project as defined in Section 1-10 of the Illinois Power Agency Act ~~facility that is part of a net metering program provided under subsection (l) of Section 16-107.5~~ shall also be eligible to apply for the rebate described in this Section. The owner or operator of the community renewable ~~A subscriber to the~~ generation project ~~facility~~ may apply for a rebate ~~in the amount of the subscriber's subscription~~ only if the owner or operator, or previous owner or operator, of the community renewable generation project~~, developer, or previous subscriber to the same panel or panels~~ has not already submitted an application, and, regardless of whether the subscriber is a residential or non-residential customer, may be allowed the amount identified in paragraph (1) of subsection (c) ~~or in subsection (c) of this Section~~ applicable ~~to such customer~~ on the date that the application is submitted. ~~An application for a rebate for a portion of a project described in this subsection (f) may be submitted at or after the time that a related request for net~~

~~metering is made.~~

(g) The owner of the distributed generation or community renewable generation project may apply for the rebate or rebates approved under this Section at the time of execution of an interconnection agreement with the distribution utility and shall receive the value available at that time of execution of the interconnection agreement, provided the project reaches mechanical completion within 24 months after execution of the interconnection agreement. If the project has not reached mechanical completion within 24 months after execution, the owner may reapply for the rebate or rebates approved under this Section available at the time of application and shall receive the value available at the time of application. The utility shall issue the rebate no ~~No~~ later than 60 days after the project is energized. ~~utility receives an application for a rebate under its tariff approved under subsection (d) or (e) of this Section, the utility shall issue a rebate to the applicant under the terms of the tariff.~~ In the event the application is incomplete or the utility is otherwise unable to calculate the payment based on the information provided by the owner, the utility shall issue the payment no later than 60 days after the application is complete or all requested information is received.

(h) An electric utility shall recover from its retail customers all of the costs of the rebates made under a tariff or tariffs approved under subsection (d) of ~~placed into effect~~

~~under~~ this Section, including, but not limited to, the value of the rebates and all costs incurred by the utility to comply with and implement subsections (b) and (c) of this Section, but not including costs incurred by the utility to comply with and implement subsection (e) of this Section, consistent with the following provisions:

(1) The utility shall defer the full amount of its costs ~~incurred under this Section~~ as a regulatory asset. The total costs deferred as a regulatory asset shall be amortized over a 15-year period. The unamortized balance shall be recognized as of December 31 for a given year. The utility shall also earn a return on the total of the unamortized balance of the regulatory assets, less any deferred taxes related to the unamortized balance, at an annual rate equal to the utility's weighted average cost of capital that includes, based on a year-end capital structure, the utility's actual cost of debt for the applicable calendar year and a cost of equity, which shall be calculated as the sum of (i) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication; and (ii) 580 basis points, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that

return.

When an electric utility creates a regulatory asset under the provisions of this paragraph (1) of subsection (h) ~~Section~~, the costs are recovered over a period during which customers also receive a benefit, which is in the public interest. Accordingly, it is the intent of the General Assembly that an electric utility that elects to create a regulatory asset under the provisions of this paragraph (1) ~~Section~~ shall recover all of the associated costs, including, but not limited to, its cost of capital as set forth in this paragraph (1) ~~Section~~. After the Commission has approved the prudence and reasonableness of the costs that comprise the regulatory asset, the electric utility shall be permitted to recover all such costs, and the value and recoverability through rates of the associated regulatory asset shall not be limited, altered, impaired, or reduced. To enable the financing of the incremental capital expenditures, including regulatory assets, for electric utilities that serve less than 3,000,000 retail customers but more than 500,000 retail customers in the State, the utility's actual year-end capital structure that includes a common equity ratio, excluding goodwill, of up to and including 50% of the total capital structure shall be deemed reasonable and used to set rates.

(2) The utility, at its election, may recover all of

the costs ~~it incurs under this Section~~ as part of a filing for a general increase in rates under Article IX of this Act, as part of an annual filing to update a performance-based formula rate under subsection (d) of Section 16-108.5 of this Act, or through an automatic adjustment clause tariff, provided that nothing in this paragraph (2) permits the double recovery of such costs from customers. If the utility elects to recover the costs it incurs under subsections (b) and (c) ~~this Section~~ through an automatic adjustment clause tariff, the utility may file its proposed tariff together with the tariff it files under subsection (b) of this Section or at a later time. The proposed tariff shall provide for an annual reconciliation, less any deferred taxes related to the reconciliation, with interest at an annual rate of return equal to the utility's weighted average cost of capital as calculated under paragraph (1) of this subsection (h), including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return, of the revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its automatic adjustment clause tariff under this subsection (h), with what the revenue requirement would have been had the actual cost information for the applicable calendar year been available at the filing

date. The Commission shall review the proposed tariff and may make changes to the tariff that are consistent with this Section and with the Commission's authority under Article IX of this Act, subject to notice and hearing. Following notice and hearing, the Commission shall issue an order approving, or approving with modification, such tariff no later than 240 days after the utility files its tariff.

(i) An electric utility shall recover from its retail customers, on a volumetric basis, all of the costs of the rebates made under a tariff or tariffs placed into effect under subsection (e) of this Section, including, but not limited to, the value of the rebates and all costs incurred by the utility to comply with and implement subsection (e) of this Section, consistent with the following provisions:

(1) The utility may defer a portion of its costs as a regulatory asset. The Commission shall determine the portion that may be appropriately deferred as a regulatory asset. Factors that the Commission shall consider in determining the portion of costs that shall be deferred as a regulatory asset include, but are not limited to: (i) whether and the extent to which a cost effectively deferred or avoided other distribution system operating costs or capital expenditures; (ii) the extent to which a cost provides environmental benefits; (iii) the extent to which a cost improves system reliability or resilience;

(iv) the electric utility's distribution system plan developed pursuant to Section 16-105.17 of this Act; (v) the extent to which a cost advances equity principles; and (vi) such other factors as the Commission deems appropriate. The remainder of costs shall be deemed an operating expense and shall be recoverable if found prudent and reasonable by the Commission.

The total costs deferred as a regulatory asset shall be amortized over a 15-year period. The unamortized balance shall be recognized as of December 31 for a given year. The utility shall also earn a return on the total of the unamortized balance of the regulatory assets, less any deferred taxes related to the unamortized balance, at an annual rate equal to the utility's weighted average cost of capital that includes, based on a year-end capital structure, the utility's actual cost of debt for the applicable calendar year and a cost of equity, which shall be calculated as the sum of: (I) the average for the applicable calendar year of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication; and (II) 580 basis points, including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return.

(2) The utility may recover all of the costs through an automatic adjustment clause tariff, on a volumetric

basis. The utility may file its proposed cost-recovery tariff together with the tariff it files under subsection (e) of this Section or at a later time. The proposed tariff shall provide for an annual reconciliation, less any deferred taxes related to the reconciliation, with interest at an annual rate of return equal to the utility's weighted average cost of capital as calculated under paragraph (1) of this subsection (i), including a revenue conversion factor calculated to recover or refund all additional income taxes that may be payable or receivable as a result of that return, of the revenue requirement reflected in rates for each calendar year, beginning with the calendar year in which the utility files its automatic adjustment clause tariff under this subsection (i), with what the revenue requirement would have been had the actual cost information for the applicable calendar year been available at the filing date. The Commission shall review the proposed tariff and may make changes to the tariff that are consistent with this Section and with the Commission's authority under Article IX of this Act, subject to notice and hearing. Following notice and hearing, the Commission shall issue an order approving, or approving with modification, such tariff no later than 240 days after the utility files its tariff.

(j) ~~(i)~~ No later than 90 days after the Commission enters

an order, or order on rehearing, whichever is later, approving an electric utility's proposed tariff under ~~subsection (d) of~~ this Section, the electric utility shall provide notice of the availability of rebates under this Section. ~~Subsequent to the utility's notice, any entity that offers in the State, for sale or lease, distributed generation and estimates the dollar saving attributable to such distributed generation shall provide estimates based on both delivery service credits and the rebates available under this Section.~~

(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-108)

Sec. 16-108. Recovery of costs associated with the provision of delivery and other services.

(a) An electric utility shall file a delivery services tariff with the Commission at least 210 days prior to the date that it is required to begin offering such services pursuant to this Act. An electric utility shall provide the components of delivery services that are subject to the jurisdiction of the Federal Energy Regulatory Commission at the same prices, terms and conditions set forth in its applicable tariff as approved or allowed into effect by that Commission. The Commission shall otherwise have the authority pursuant to Article IX to review, approve, and modify the prices, terms and conditions of those components of delivery services not subject to the jurisdiction of the Federal Energy Regulatory

Commission, including the authority to determine the extent to which such delivery services should be offered on an unbundled basis. In making any such determination the Commission shall consider, at a minimum, the effect of additional unbundling on (i) the objective of just and reasonable rates, (ii) electric utility employees, and (iii) the development of competitive markets for electric energy services in Illinois.

(b) The Commission shall enter an order approving, or approving as modified, the delivery services tariff no later than 30 days prior to the date on which the electric utility must commence offering such services. The Commission may subsequently modify such tariff pursuant to this Act.

(c) The electric utility's tariffs shall define the classes of its customers for purposes of delivery services charges. Delivery services shall be priced and made available to all retail customers electing delivery services in each such class on a nondiscriminatory basis regardless of whether the retail customer chooses the electric utility, an affiliate of the electric utility, or another entity as its supplier of electric power and energy. Charges for delivery services shall be cost based, and shall allow the electric utility to recover the costs of providing delivery services through its charges to its delivery service customers that use the facilities and services associated with such costs. Such costs shall include the costs of owning, operating and maintaining transmission and distribution facilities. The Commission shall also be

authorized to consider whether, and if so to what extent, the following costs are appropriately included in the electric utility's delivery services rates: (i) the costs of that portion of generation facilities used for the production and absorption of reactive power in order that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility, and (ii) the costs associated with the use and redispatch of generation facilities to mitigate constraints on the transmission or distribution system in order that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility. Nothing in this subsection shall be construed as directing the Commission to allocate any of the costs described in (i) or (ii) that are found to be appropriately included in the electric utility's delivery services rates to any particular customer group or geographic area in setting delivery services rates.

(d) The Commission shall establish charges, terms and conditions for delivery services that are just and reasonable and shall take into account customer impacts when establishing such charges. In establishing charges, terms and conditions for delivery services, the Commission shall take into account voltage level differences. A retail customer shall have the option to request to purchase electric service at any delivery service voltage reasonably and technically feasible from the

electric facilities serving that customer's premises provided that there are no significant adverse impacts upon system reliability or system efficiency. A retail customer shall also have the option to request to purchase electric service at any point of delivery that is reasonably and technically feasible provided that there are no significant adverse impacts on system reliability or efficiency. Such requests shall not be unreasonably denied.

(e) Electric utilities shall recover the costs of installing, operating or maintaining facilities for the particular benefit of one or more delivery services customers, including without limitation any costs incurred in complying with a customer's request to be served at a different voltage level, directly from the retail customer or customers for whose benefit the costs were incurred, to the extent such costs are not recovered through the charges referred to in subsections (c) and (d) of this Section.

(f) An electric utility shall be entitled but not required to implement transition charges in conjunction with the offering of delivery services pursuant to Section 16-104. If an electric utility implements transition charges, it shall implement such charges for all delivery services customers and for all customers described in subsection (h), but shall not implement transition charges for power and energy that a retail customer takes from cogeneration or self-generation facilities located on that retail customer's premises, if such

facilities meet the following criteria:

(i) the cogeneration or self-generation facilities serve a single retail customer and are located on that retail customer's premises (for purposes of this subparagraph and subparagraph (ii), an industrial or manufacturing retail customer and a third party contractor that is served by such industrial or manufacturing customer through such retail customer's own electrical distribution facilities under the circumstances described in subsection (vi) of the definition of "alternative retail electric supplier" set forth in Section 16-102, shall be considered a single retail customer);

(ii) the cogeneration or self-generation facilities either (A) are sized pursuant to generally accepted engineering standards for the retail customer's electrical load at that premises (taking into account standby or other reliability considerations related to that retail customer's operations at that site) or (B) if the facility is a cogeneration facility located on the retail customer's premises, the retail customer is the thermal host for that facility and the facility has been designed to meet that retail customer's thermal energy requirements resulting in electrical output beyond that retail customer's electrical demand at that premises, comply with the operating and efficiency standards applicable to "qualifying facilities" specified in title 18 Code of

Federal Regulations Section 292.205 as in effect on the effective date of this amendatory Act of 1999;

(iii) the retail customer on whose premises the facilities are located either has an exclusive right to receive, and corresponding obligation to pay for, all of the electrical capacity of the facility, or in the case of a cogeneration facility that has been designed to meet the retail customer's thermal energy requirements at that premises, an identified amount of the electrical capacity of the facility, over a minimum 5-year period; and

(iv) if the cogeneration facility is sized for the retail customer's thermal load at that premises but exceeds the electrical load, any sales of excess power or energy are made only at wholesale, are subject to the jurisdiction of the Federal Energy Regulatory Commission, and are not for the purpose of circumventing the provisions of this subsection (f).

If a generation facility located at a retail customer's premises does not meet the above criteria, an electric utility implementing transition charges shall implement a transition charge until December 31, 2006 for any power and energy taken by such retail customer from such facility as if such power and energy had been delivered by the electric utility. Provided, however, that an industrial retail customer that is taking power from a generation facility that does not meet the above criteria but that is located on such customer's premises will

not be subject to a transition charge for the power and energy taken by such retail customer from such generation facility if the facility does not serve any other retail customer and either was installed on behalf of the customer and for its own use prior to January 1, 1997, or is both predominantly fueled by byproducts of such customer's manufacturing process at such premises and sells or offers an average of 300 megawatts or more of electricity produced from such generation facility into the wholesale market. Such charges shall be calculated as provided in Section 16-102, and shall be collected on each kilowatt-hour delivered under a delivery services tariff to a retail customer from the date the customer first takes delivery services until December 31, 2006 except as provided in subsection (h) of this Section. Provided, however, that an electric utility, other than an electric utility providing service to at least 1,000,000 customers in this State on January 1, 1999, shall be entitled to petition for entry of an order by the Commission authorizing the electric utility to implement transition charges for an additional period ending no later than December 31, 2008. The electric utility shall file its petition with supporting evidence no earlier than 16 months, and no later than 12 months, prior to December 31, 2006. The Commission shall hold a hearing on the electric utility's petition and shall enter its order no later than 8 months after the petition is filed. The Commission shall determine whether and to what extent the electric utility

shall be authorized to implement transition charges for an additional period. The Commission may authorize the electric utility to implement transition charges for some or all of the additional period, and shall determine the mitigation factors to be used in implementing such transition charges; provided, that the Commission shall not authorize mitigation factors less than 110% of those in effect during the 12 months ended December 31, 2006. In making its determination, the Commission shall consider the following factors: the necessity to implement transition charges for an additional period in order to maintain the financial integrity of the electric utility; the prudence of the electric utility's actions in reducing its costs since the effective date of this amendatory Act of 1997; the ability of the electric utility to provide safe, adequate and reliable service to retail customers in its service area; and the impact on competition of allowing the electric utility to implement transition charges for the additional period.

(g) The electric utility shall file tariffs that establish the transition charges to be paid by each class of customers to the electric utility in conjunction with the provision of delivery services. The electric utility's tariffs shall define the classes of its customers for purposes of calculating transition charges. The electric utility's tariffs shall provide for the calculation of transition charges on a customer-specific basis for any retail customer whose average monthly maximum electrical demand on the electric utility's

system during the 6 months with the customer's highest monthly maximum electrical demands equals or exceeds 3.0 megawatts for electric utilities having more than 1,000,000 customers, and for other electric utilities for any customer that has an average monthly maximum electrical demand on the electric utility's system of one megawatt or more, and (A) for which there exists data on the customer's usage during the 3 years preceding the date that the customer became eligible to take delivery services, or (B) for which there does not exist data on the customer's usage during the 3 years preceding the date that the customer became eligible to take delivery services, if in the electric utility's reasonable judgment there exists comparable usage information or a sufficient basis to develop such information, and further provided that the electric utility can require customers for which an individual calculation is made to sign contracts that set forth the transition charges to be paid by the customer to the electric utility pursuant to the tariff.

(h) An electric utility shall also be entitled to file tariffs that allow it to collect transition charges from retail customers in the electric utility's service area that do not take delivery services but that take electric power or energy from an alternative retail electric supplier or from an electric utility other than the electric utility in whose service area the customer is located. Such charges shall be calculated, in accordance with the definition of transition

charges in Section 16-102, for the period of time that the customer would be obligated to pay transition charges if it were taking delivery services, except that no deduction for delivery services revenues shall be made in such calculation, and usage data from the customer's class shall be used where historical usage data is not available for the individual customer. The customer shall be obligated to pay such charges on a lump sum basis on or before the date on which the customer commences to take service from the alternative retail electric supplier or other electric utility, provided, that the electric utility in whose service area the customer is located shall offer the customer the option of signing a contract pursuant to which the customer pays such charges ratably over the period in which the charges would otherwise have applied.

(i) An electric utility shall be entitled to add to the bills of delivery services customers charges pursuant to Sections 9-221, 9-222 (except as provided in Section 9-222.1), and Section 16-114 of this Act, Section 5-5 of the Electricity Infrastructure Maintenance Fee Law, Section 6-5 of the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997, and Section 13 of the Energy Assistance Act.

(i-5) An electric utility required to impose the Coal to Solar and Energy Storage Initiative Charge provided for in subsection (c-5) of Section 1-75 of the Illinois Power Agency Act shall add such charge to the bills of its delivery services

customers pursuant to the terms of a tariff conforming to the requirements of subsection (c-5) of Section 1-75 of the Illinois Power Agency Act and this subsection (i-5) and filed with and approved by the Commission. The electric utility shall file its proposed tariff with the Commission on or before July 1, 2022 to be effective, after review and approval or modification by the Commission, beginning January 1, 2023. On or before December 1, 2022, the Commission shall review the electric utility's proposed tariff, including by conducting a docketed proceeding if deemed necessary by the Commission, and shall approve the proposed tariff or direct the electric utility to make modifications the Commission finds necessary for the tariff to conform to the requirements of subsection (c-5) of Section 1-75 of the Illinois Power Agency Act and this subsection (i-5). The electric utility's tariff shall provide for imposition of the Coal to Solar and Energy Storage Initiative Charge on a per-kilowatthour basis to all kilowatthours delivered by the electric utility to its delivery services customers. The tariff shall provide for the calculation of the Coal to Solar and Energy Storage Initiative Charge to be in effect for the year beginning January 1, 2023 and each year beginning January 1 thereafter, sufficient to collect the electric utility's estimated payment obligations for the delivery year beginning the following June 1 under contracts for purchase of renewable energy credits entered into pursuant to subsection (c-5) of Section 1-75 of the

Illinois Power Agency Act and the obligations of the Department of Commerce and Economic Opportunity, or any successor department or agency, which for purposes of this subsection (i-5) shall be referred to as the Department, to make grant payments during such delivery year from the Coal to Solar and Energy Storage Initiative Fund pursuant to grant contracts entered into pursuant to subsection (c-5) of Section 1-75 of the Illinois Power Agency Act, and using the electric utility's kilowatthour deliveries to its delivery services customers during the delivery year ended May 31 of the preceding calendar year. On or before November 1 of each year beginning November 1, 2022, the Department shall notify the electric utilities of the amount of the Department's estimated obligations for grant payments during the delivery year beginning the following June 1 pursuant to grant contracts entered into pursuant to subsection (c-5) of Section 1-75 of the Illinois Power Agency Act; and each electric utility shall incorporate in the calculation of its Coal to Solar and Energy Storage Initiative Charge the fractional portion of the Department's estimated obligations equal to the electric utility's kilowatthour deliveries to its delivery services customers in the delivery year ended the preceding May 31 divided by the aggregate deliveries of both electric utilities to delivery services customers in such delivery year. The electric utility shall remit on a monthly basis to the State Treasurer, for deposit in the Coal to Solar and Energy Storage

Initiative Fund provided for in subsection (c-5) of Section 1-75 of the Illinois Power Agency Act, the electric utility's collections of the Coal to Solar and Energy Storage Initiative Charge estimated to be needed by the Department for grant payments pursuant to grant contracts entered into pursuant to subsection (c-5) of Section 1-75 of the Illinois Power Agency Act. The initial charge under the electric utility's tariff shall be effective for kilowatthours delivered beginning January 1, 2023, and thereafter shall be revised to be effective January 1, 2024 and each January 1 thereafter, based on the payment obligations for the delivery year beginning the following June 1. The tariff shall provide for the electric utility to make an annual filing with the Commission on or before November 15 of each year, beginning in 2023, setting forth the Coal to Solar and Energy Storage Initiative Charge to be in effect for the year beginning the following January 1. The electric utility's tariff shall also provide that the electric utility shall make a filing with the Commission on or before August 1 of each year beginning in 2024 setting forth a reconciliation, for the delivery year ended the preceding May 31, of the electric utility's collections of the Coal to Solar and Energy Storage Initiative Charge against actual payments for renewable energy credits pursuant to contracts entered into, and the actual grant payments by the Department pursuant to grant contracts entered into, pursuant to subsection (c-5) of Section 1-75 of the Illinois Power Agency Act. The tariff

shall provide that any excess or shortfall of collections to payments shall be deducted from or added to, on a per-kilowatthour basis, the Coal to Solar and Energy Storage Initiative Charge, over the 6-month period beginning October 1 of that calendar year.

(j) If a retail customer that obtains electric power and energy from cogeneration or self-generation facilities installed for its own use on or before January 1, 1997, subsequently takes service from an alternative retail electric supplier or an electric utility other than the electric utility in whose service area the customer is located for any portion of the customer's electric power and energy requirements formerly obtained from those facilities (including that amount purchased from the utility in lieu of such generation and not as standby power purchases, under a cogeneration displacement tariff in effect as of the effective date of this amendatory Act of 1997), the transition charges otherwise applicable pursuant to subsections (f), (g), or (h) of this Section shall not be applicable in any year to that portion of the customer's electric power and energy requirements formerly obtained from those facilities, provided, that for purposes of this subsection (j), such portion shall not exceed the average number of kilowatt-hours per year obtained from the cogeneration or self-generation facilities during the 3 years prior to the date on which the customer became eligible for delivery services, except as

provided in subsection (f) of Section 16-110.

(k) The electric utility shall be entitled to recover through tariffed charges all of the costs associated with the purchase of zero emission credits from zero emission facilities to meet the requirements of subsection (d-5) of Section 1-75 of the Illinois Power Agency Act and all of the costs associated with the purchase of carbon mitigation credits from carbon-free energy resources to meet the requirements of subsection (d-10) of Section 1-75 of the Illinois Power Agency Act. Such costs shall include the costs of procuring the zero emission credits and carbon mitigation credits from carbon-free energy resources, as well as the reasonable costs that the utility incurs as part of the procurement processes and to implement and comply with plans and processes approved by the Commission under subsections ~~such subsection~~ (d-5) and (d-10). The costs shall be allocated across all retail customers through a single, uniform cents per kilowatt-hour charge applicable to all retail customers, which shall appear as a separate line item on each customer's bill. Beginning June 1, 2017, the electric utility shall be entitled to recover through tariffed charges all of the costs associated with the purchase of renewable energy resources to meet the renewable energy resource standards of subsection (c) of Section 1-75 of the Illinois Power Agency Act, under procurement plans as approved in accordance with that Section and Section 16-111.5 of this Act. Such costs shall include the

costs of procuring the renewable energy resources, as well as the reasonable costs that the utility incurs as part of the procurement processes and to implement and comply with plans and processes approved by the Commission under such Sections. The costs associated with the purchase of renewable energy resources shall be allocated across all retail customers in proportion to the amount of renewable energy resources the utility procures for such customers through a single, uniform cents per kilowatt-hour charge applicable to such retail customers, which shall appear as a separate line item on each such customer's bill. The credits, costs, and penalties associated with the self-direct renewable portfolio standard compliance program described in subparagraph (R) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act shall be allocated to approved eligible self-direct customers by the utility in a cents per kilowatt-hour credit, cost, or penalty, which shall appear as a separate line item on each such customer's bill.

Notwithstanding whether the Commission has approved the initial long-term renewable resources procurement plan as of June 1, 2017, an electric utility shall place new tariffed charges into effect beginning with the June 2017 monthly billing period, to the extent practicable, to begin recovering the costs of procuring renewable energy resources, as those charges are calculated under the limitations described in subparagraph (E) of paragraph (1) of subsection (c) of Section

1-75 of the Illinois Power Agency Act. Notwithstanding the date on which the utility places such new tariffed charges into effect, the utility shall be permitted to collect the charges under such tariff as if the tariff had been in effect beginning with the first day of the June 2017 monthly billing period. For the delivery years commencing June 1, 2017, June 1, 2018, ~~and~~ June 1, 2019, and each delivery year thereafter, the electric utility shall deposit into a separate interest bearing account of a financial institution the monies collected under the tariffed charges. Money collected from customers for the procurement of renewable energy resources in a given delivery year may be spent by the utility for the procurement of renewable resources over any of the following 5 delivery years, after which unspent money shall be credited back to retail customers. The electric utility shall spend all money collected in earlier delivery years that has not yet been returned to customers, first, before spending money collected in later delivery years. Any interest earned shall be credited back to retail customers under the reconciliation proceeding provided for in this subsection (k), provided that the electric utility shall first be reimbursed from the interest for the administrative costs that it incurs to administer and manage the account. Any taxes due on the funds in the account, or interest earned on it, will be paid from the account or, if insufficient monies are available in the account, from the monies collected under the tariffed charges

to recover the costs of procuring renewable energy resources. Monies deposited in the account shall be subject to the review, reconciliation, and true-up process described in this subsection (k) that is applicable to the funds collected and costs incurred for the procurement of renewable energy resources.

The electric utility shall be entitled to recover all of the costs identified in this subsection (k) through automatic adjustment clause tariffs applicable to all of the utility's retail customers that allow the electric utility to adjust its tariffed charges consistent with this subsection (k). The determination as to whether any excess funds were collected during a given delivery year for the purchase of renewable energy resources, and the crediting of any excess funds back to retail customers, shall not be made until after the close of the delivery year, which will ensure that the maximum amount of funds is available to implement the approved long-term renewable resources procurement plan during a given delivery year. The amount of excess funds eligible to be credited back to retail customers shall be reduced by an amount equal to the payment obligations required by any contracts entered into by an electric utility under contracts described in subsection (b) of Section 1-56 and subsection (c) of Section 1-75 of the Illinois Power Agency Act, even if such payments have not yet been made and regardless of the delivery year in which those payment obligations were incurred. Notwithstanding anything to

the contrary, including in tariffs authorized by this subsection (k) in effect prior to the effective date of this amendatory Act of the 102nd General Assembly, all unspent funds as of May 31, 2021 shall remain in the utility account and shall on a first in, first out basis be used toward utility payment obligations under contracts described in subsection (b) of Section 1-56 and subsection (c) of Section 1-75 of the Illinois Power Agency Act. The electric utility's collections under such automatic adjustment clause tariffs to recover the costs of renewable energy resources, ~~and~~ zero emission credits from zero emission facilities, and carbon mitigation credits from carbon-free energy resources shall be subject to separate annual review, reconciliation, and true-up against actual costs by the Commission under a procedure that shall be specified in the electric utility's automatic adjustment clause tariffs and that shall be approved by the Commission in connection with its approval of such tariffs. The procedure shall provide that any difference between the electric utility's collections for zero emission credits and carbon mitigation credits under the automatic adjustment charges for an annual period and the electric utility's actual costs of ~~renewable energy resources and~~ zero emission credits from zero emission facilities and carbon mitigation credits from carbon-free energy resources for that same annual period shall be refunded to or collected from, as applicable, the electric utility's retail customers in subsequent periods.

Nothing in this subsection (k) is intended to affect, limit, or change the right of the electric utility to recover the costs associated with the procurement of renewable energy resources for periods commencing before, on, or after June 1, 2017, as otherwise provided in the Illinois Power Agency Act.

~~Notwithstanding anything to the contrary, the Commission shall not conduct an annual review, reconciliation, and true up associated with renewable energy resources' collections and costs for the delivery years commencing June 1, 2017, June 1, 2018, June 1, 2019, and June 1, 2020, and shall instead conduct a single review, reconciliation, and true-up associated with renewable energy resources' collections and costs for the 4-year period beginning June 1, 2017 and ending May 31, 2021, provided that the review, reconciliation, and true-up shall not be initiated until after August 31, 2021. During the 4 year period, the utility shall be permitted to collect and retain funds under this subsection (k) and to purchase renewable energy resources under an approved long term renewable resources procurement plan using those funds regardless of the delivery year in which the funds were collected during the 4-year period.~~

~~If the amount of funds collected during the delivery year commencing June 1, 2017, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2018, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power~~

~~Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall. For purposes of this Section, "funding shortfall" means the difference between $200,000,000 and the amount appropriated by the General Assembly to the Illinois Power Agency Renewable Energy Resources Fund during the period that commences on the effective date of this amendatory act of the 99th General Assembly and ends on August 1, 2018.~~

~~If the amount of funds collected during the delivery year commencing June 1, 2018, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2019, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.~~

~~If the amount of funds collected during the delivery year commencing June 1, 2019, exceeds the costs incurred during that delivery year, then up to half of this excess amount, as calculated on June 1, 2020, may be used to fund the programs under subsection (b) of Section 1-56 of the Illinois Power~~

~~Agency Act in the same proportion the programs are funded under that subsection (b). However, any amount identified under this subsection (k) to fund programs under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall be reduced if it exceeds the funding shortfall.~~

The funding available under this subsection (k), if any, for the programs described under subsection (b) of Section 1-56 of the Illinois Power Agency Act shall not reduce the amount of funding for the programs described in subparagraph (O) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act. If funding is available under this subsection (k) for programs described under subsection (b) of Section 1-56 of the Illinois Power Agency Act, then the long-term renewable resources plan shall provide for the Agency to procure contracts in an amount that does not exceed the funding, and the contracts approved by the Commission shall be executed by the applicable utility or utilities.

(l) A utility that has terminated any contract executed under subsection (d-5) or (d-10) of Section 1-75 of the Illinois Power Agency Act shall be entitled to recover any remaining balance associated with the purchase of zero emission credits prior to such termination, and such utility shall also apply a credit to its retail customer bills in the event of any over-collection.

(m)(1) An electric utility that recovers its costs of procuring zero emission credits from zero emission facilities

through a cents-per-kilowatthour charge under ~~to~~ subsection (k) of this Section shall be subject to the requirements of this subsection (m). Notwithstanding anything to the contrary, such electric utility shall, beginning on April 30, 2018, and each April 30 thereafter until April 30, 2026, calculate whether any reduction must be applied to such cents-per-kilowatthour charge that is paid by retail customers of the electric utility that have opted out of ~~are exempt from~~ subsections (a) through (j) of Section 8-103B of this Act under subsection (l) of Section 8-103B. Such charge shall be reduced for such customers for the next delivery year commencing on June 1 based on the amount necessary, if any, to limit the annual estimated average net increase for the prior calendar year due to the future energy investment costs to no more than 1.3% of 5.98 cents per kilowatt-hour, which is the average amount paid per kilowatthour for electric service during the year ending December 31, 2015 by Illinois industrial retail customers, as reported to the Edison Electric Institute.

The calculations required by this subsection (m) shall be made only once for each year, and no subsequent rate impact determinations shall be made.

(2) For purposes of this Section, "future energy investment costs" shall be calculated by subtracting the cents-per-kilowatthour charge identified in subparagraph (A) of this paragraph (2) from the sum of the

cents-per-kilowatthour charges identified in subparagraph (B) of this paragraph (2):

(A) The cents-per-kilowatthour charge identified in the electric utility's tariff placed into effect under Section 8-103 of the Public Utilities Act that, on December 1, 2016, was applicable to those retail customers that have opted out of ~~are exempt from~~ subsections (a) through (j) of Section 8-103B of this Act under subsection (l) of Section 8-103B.

(B) The sum of the following cents-per-kilowatthour charges applicable to those retail customers that have opted out of ~~are exempt from~~ subsections (a) through (j) of Section 8-103B of this Act under subsection (l) of Section 8-103B, provided that if one or more of the following charges has been in effect and applied to such customers for more than one calendar year, then each charge shall be equal to the average of the charges applied over a period that commences with the calendar year ending December 31, 2017 and ends with the most recently completed calendar year prior to the calculation required by this subsection (m):

(i) the cents-per-kilowatthour charge to recover the costs incurred by the utility under subsection (d-5) of Section 1-75 of the Illinois Power Agency Act, adjusted for any reductions required under this subsection (m); and

(ii) the cents-per-kilowatthour charge to recover the costs incurred by the utility under Section 16-107.6 of the Public Utilities Act.

If no charge was applied for a given calendar year under item (i) or (ii) of this subparagraph (B), then the value of the charge for that year shall be zero.

(3) If a reduction is required by the calculation performed under this subsection (m), then the amount of the reduction shall be multiplied by the number of years reflected in the averages calculated under subparagraph (B) of paragraph (2) of this subsection (m). Such reduction shall be applied to the cents-per-kilowatthour charge that is applicable to those retail customers that have opted out of ~~are exempt from~~ subsections (a) through (j) of Section 8-103B of this Act under subsection (l) of Section 8-103B beginning with the next delivery year commencing after the date of the calculation required by this subsection (m).

(4) The electric utility shall file a notice with the Commission on May 1 of 2018 and each May 1 thereafter until May 1, 2026 containing the reduction, if any, which must be applied for the delivery year which begins in the year of the filing. The notice shall contain the calculations made pursuant to this Section. By October 1 of each year beginning in 2018, each electric utility shall notify the Commission if it appears, based on an estimate of the calculation required in this subsection (m), that a reduction will be required in

the next year.

(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-108.18 new)

Sec. 16-108.18. Performance-based ratemaking.

(a) The General Assembly finds:

(1) That improving the alignment of utility customer and company interests is critical to ensuring equity, rapid growth of distributed energy resources, electric vehicles, and other new technologies that substantially change the makeup of the grid and protect Illinois residents and businesses from potential economic and environmental harm from the State's energy systems.

(2) There is urgency around addressing increasing threats from climate change and assisting communities that have borne disproportionate impacts from climate change, including air pollution, greenhouse gas emissions, and energy burdens. Addressing this problem requires changes to the business model under which utilities in Illinois have traditionally functioned.

(3) Providing targeted incentives to support change through a new performance-based structure to enhance ratemaking is intended to enable alignment of utility, customer, community, and environmental goals.

(4) Though Illinois has taken some measures to move utilities to performance-based ratemaking through the

establishment of performance incentives and a performance-based formula rate under the Energy Infrastructure Modernization Act, these measures have not been sufficiently transformative in urgently moving electric utilities toward the State's ambitious energy policy goals: protecting a healthy environment and climate, improving public health, and creating quality jobs and economic opportunities, including wealth building, especially in economically disadvantaged communities and communities of color.

(5) These measures were not developed through a process to understand first what performance measures and penalties would help drive the sought-after behavior by the utilities.

(6) While the General Assembly has not made a finding that the spending related to the Energy Infrastructure and Modernization Act and its performance metrics was not reasonable, it is important to address concerns that these measures may have resulted in excess utility spending and guaranteed profits without meaningful improvements in customer experience, rate affordability, or equity.

(7) Discussions of performance incentive mechanisms must always take into account the affordability of customer rates and bills for all customers, including low-income customers.

(8) The General Assembly therefore directs the

Illinois Commerce Commission to complete a transition that includes a comprehensive performance-based regulation framework for electric utilities serving more than 500,000 customers. The breadth of this framework should revise existing utility regulations to position Illinois electric utilities to effectively and efficiently achieve current and anticipated future energy needs of this State, while ensuring affordability for consumers.

(b) As used in this Section:

"Commission" means the Illinois Commerce Commission.

"Demand response" means measures that decrease peak electricity demand or shift demand from peak to off-peak periods.

"Distributed energy resources" or "DER" means a wide range of technologies that are connected to the grid including those that are located on the customer side of the customer's electric meter and can provide value to the distribution system, including, but not limited to, distributed generation, energy storage, electric vehicles, and demand response technologies.

"Economically disadvantaged communities" means areas of one or more census tracts where average household income does not exceed 80% of area median income.

"Environmental justice communities" means the definition of that term as used and as may be updated in the long-term renewable resources procurement plan by the Illinois Power

Agency and its Program Administrator in the Illinois Solar for All Program.

"Equity investment eligible community" means the geographic areas throughout Illinois which would most benefit from equitable investments by the State designed to combat discrimination. Specifically, the equity investment eligible communities shall be defined as the following areas:

(1) R3 Areas as established pursuant to Section 10-40 of the Cannabis Regulation and Tax Act, where residents have historically been excluded from economic opportunities, including opportunities in the energy sector; and

(2) Environmental justice communities, as defined by the Illinois Power Agency pursuant to the Illinois Power Agency Act, where residents have historically been subject to disproportionate burdens of pollution, including pollution from the energy sector.

"Performance incentive mechanism" means an instrument by which utility performance is incentivized, which could include a monetary performance incentive.

"Performance metric" means a manner of measurement for a particular utility activity.

(c) Through coordinated, comprehensive system planning, ratemaking, and performance incentives, the performance-based ratemaking framework should be designed to accomplish the following objectives:

(1) maintain and improve service reliability and safety, including and particularly in environmental justice, low-income and equity investment eligible communities;

(2) decarbonize utility systems at a pace that meets or exceeds State climate goals, while also ensuring the affordability of rates for all customers, including low-income customers;

(3) direct electric utilities to make cost-effective investments that support achievement of Illinois' clean energy policies, including, at a minimum, investments designed to integrate distributed energy resources, comply with critical infrastructure protection standards, plans, and industry best practices, and support and take advantage of potential benefits from the electric vehicle charging and other electrification, while mitigating the impacts;

(4) choose cost-effective assets and services, whether utility-supplied or through third-party contracting, considering both economic and environmental costs and the effects on utility rates, to deliver high-quality service to customers at least cost;

(5) maintain the affordability of electric delivery services for all customers, including low-income customers;

(6) maintain and grow a diverse workforce, diverse

supplier procurement base and, for relevant programs, diverse approved-vendor pools, including increased opportunities for minority-owned, female-owned, veteran-owned, and disability-owned business enterprises;

(7) improve customer service performance and engagement;

(8) address the particular burdens faced by consumers in environmental justice and equity investment eligible communities, including shareholder, consumer, and publicly funded bill payment assistance and credit and collection policies, and ensure equitable disconnections, late fees, or arrearages as a result of utility credit and collection practices, which may include consideration of impact by zip code; and

(9) implement or otherwise enhance current supplier diversity programs to increase diverse contractor participation in professional services, subcontracting, and prime contracting opportunities with programs that address barriers to access. Supplier diversity programs shall address specific barriers related to RFP and contract access, access to capital, information technology and cyber security access and costs, administrative burdens, and quality control with specific metrics, outcomes, and demographic data reported.

(d) Multi-Year Rate Plan.

(1) If an electric utility had a performance-based

formula rate in effect under Section 16-108.5 as of December 31, 2020, then the utility may file a petition proposing tariffs implementing a 4-year Multi-Year Rate Plan as provided in this Section no later than, January 20, 2023, for delivery service rates to be effective for the billing periods January 1, 2024 through December 31, 2027. The Commission shall issue an order approving or approving as modified the utility's plan no later than December 20, 2023. The term "Multi-Year Rate Plan" refers to a plan establishing the base rates the utility shall charge for each delivery year of the 4-year period to be covered by the plan, which shall be subject to modification only as expressly allowed in this Section.

(2) A utility proposing a Multi-Year Rate Plan shall provide a 4-year investment plan and a description of the utility's major planned investments, including, at a minimum, all investments of $2,000,000 or greater over the plan period for an electric utility that serves more than 3,000,000 retail customers in the State or $500,000 for an electric utility that serves less than 3,000,000 retail customers in the State but more than 500,000 retail customers in the State. The 4-year investment plan must be consistent with the Multi-Year Integrated Grid Plan described in Section 16-105.17 of this Act. The investment plan shall provide sufficiently detailed information, as required by the Commission, including, at a minimum, a

description of each investment, the location of the investment, and an explanation of the need for and benefit of such an investment to the extent known.

(3) The Multi-Year Rate Plan shall be implemented through a tariff filed with the Commission consistent with the provisions of this paragraph (3) that shall apply to all delivery service customers. The Commission shall initiate and conduct an investigation of the tariff in a manner consistent with the provisions of this paragraph (3) and the provisions of Article IX of this Act, to the extent they do not conflict with this paragraph (3). The Multi-Year Rate Plan approved by the Commission shall do the following:

(A) Provide for the recovery of the utility's forecasted rate base, based on the 4-year investment plan and the utility's Integrated Grid Plan. The forecasted rate base must include the utility's planned capital investments, with rates based on average annual plant investment, and investment-related costs, including income tax impacts, depreciation, and ratemaking adjustments and costs that are prudently incurred and reasonable in amount consistent with Commission practice and law. The process used to develop the forecasts must be iterative, rigorous, and lead to forecasts that reasonably represent the utility's investments during

the forecasted period and ensure that the investments are projected to be used and useful during the annual investment period and least cost, consistent with the provisions of Articles VIII and IX of this Act.

(B) The cost of equity shall be approved by the Commission consistent with Commission practice and law.

(C) The revenue requirement shall reflect the utility's actual capital structure for the applicable calendar year. A year-end capital structure that includes a common equity ratio of up to and including 50% of the total capital structure shall be deemed prudent and reasonable. A higher common equity ratio must be specifically approved by the Commission.

(E) Provide for recovery of prudent and reasonable projected operating expenses, giving effect to ratemaking adjustments, consistent with Commission practice and law under Article IX of this Act. Operating expenses for years after the first year of the Multi-Year Rate Plan may be estimated by the use of known and measurable changes, expense reductions associated with planned capital investments as appropriate, and reasonable and appropriate escalators, indices, or other metrics.

(F) Amortize the amount of unprotected property-related excess accumulated deferred income

taxes in rates as of January 1, 2023 over a period ending December 31, 2027, unless otherwise required to amortize the excess deferred income tax pursuant to Section 16-108.21 of this Act.

(G) Allow recovery of incentive compensation expense that is based on the achievement of operational metrics, including metrics related to budget controls, outage duration and frequency, safety, customer service, efficiency and productivity, environmental compliance and attainment of affordability and environmental goals, and other goals and metrics approved by the Commission. Incentive compensation expense that is based on net income or an affiliate's earnings per share shall not be recoverable.

(H) To the maximum extent practicable, align the 4-year investment plan and annual capital budgets with the electric utility's Multi-Year Integrated Grid Plan.

(4) The Commission shall establish annual rates for each year of the Multi-Year Rate Plan that accurately reflect and are based only upon the utility's reasonable and prudent costs of service over the term of the plan, including the effect of all ratemaking adjustments consistent with Commission practice and law as determined by the Commission, provided that the costs are not being

recovered elsewhere in rates. Tariff riders authorized by the Commission may continue outside of a plan authorized under this Section to the extent such costs are not recovered elsewhere in rates. For the first multi-year rate plan, the burden of proof shall be on the electric utility to establish the prudence of investments and expenditures and to establish that such investments consistent with and reasonably necessary to meet the requirements of the utility's first approved Multi-Year Integrated Grid Plan described in Section 16-105.17 of this Act. For subsequent Multi-Year Rate Plans, the burden of proof shall be on the electric utility to establish the prudence of investments and expenditures and to establish that such investments are consistent with and reasonably necessary to meet the requirements of the utility's most recently approved Multi-Year Integrated Grid Plan described in Section 16-105.17 of this Act. The sole fact that a cost differs from that incurred in a prior period or that an investment is different from that described in the Multi-Year Integrated Grid Plan shall not imply the imprudence or unreasonableness of that cost or investment. The sole fact that an investment is the same or similar to that described in the Multi-Year Integrated Grid Plan shall not imply prudence and reasonableness of that investment.

(5) To facilitate public transparency, all materials,

data, testimony, and schedules shall be provided to the Commission in an editable, machine-readable electronic format including .doc, .docx, .xls, .xlsx, and similar file formats, but not including .pdf or .exif. Should utilities designate any materials confidential, they shall have an affirmative duty to explain why the particular information is marked confidential. In determining prudence and reasonableness of rates, the Commission shall make its determination based upon the record, including each public comment filed or provided orally at open meetings consistent with the Commission's rules and practices.

(6) The Commission may, by order, establish terms, conditions, and procedures for submitting and approving a Multi-Year Rate Plan necessary to implement this Section and ensure that rates remain just and reasonable during the course of the plan, including terms and procedures for rate adjustment.

(7) An electric utility that files a tariff pursuant to paragraph (3) of this subsection (e) must submit a one-time $300,000 filing fee at the time the Chief Clerk of the Commission accepts the filing, which shall be a recoverable expense.

(8) An electric utility operating under a Multi-Year Rate Plan shall file a new Multi-Year Rate Plan at least 300 days prior to the end of the initial Multi-Year Rate

Plan unless it elects to file a general rate case pursuant to paragraph (9), and every 4 years thereafter, with a rate-effective date of the proposed tariffs such that, after the Commission suspension period, the rates would take effect immediately at the close of the final year of the initial Multi-Year Rate Plan. In subsequent Multi-Year Rate Plans, as in the initial plans, utilities and stakeholders may propose additional metrics that achieve the outcomes described in paragraph (2) of subsection (f) of this Section.

(9) Election of Rate Case.

(A) On or before the date prescribed by subparagraph (B) of paragraph (9) of this Section, electric utilities that serve more than 500,000 retail customers in the State shall file either a general rate case under Section 9-201 of this Act, or a Multi-Year Rate Plan, as set forth in paragraph (1) of this subsection (d).

(B) Electric utilities described in subparagraph (A) of paragraph (9) of this Section shall file their initial general rate case or Multi-Year Rate Plan, as applicable, with the Commission no later than January 20, 2023.

(C) Notwithstanding which rate filing option an electric utility elects to file on the date prescribed by subparagraph (B) of paragraph (9) of this Section,

the electric utility shall be subject to the Multi-year Integrated Plan filing requirements.

(D) Following its initial rate filing pursuant to paragraph (2), an electric utility subject to the requirements of this Section shall thereafter be permitted to elect a different rate filing option consistent with any filing intervals established for a general rate case or Multi-Year Rate Plan, as follows:

(i) An electric utility that initially elected to file a Multi-Year Rate Plan and thereafter elects to transition to a general rate case may do so upon completion of the 4-year Multi-Year Rate Plan by filing a general rate case at the same time that the utility would have filed its subsequent Multi-Year Rate Plan, as specified in paragraph (8) of this subsection (d). Notwithstanding this election, the annual adjustment of the final year of the Multi-Year Rate Plan shall proceed as specified in paragraph (6) of subsection (f).

(ii) An electric utility that initially elected to a file general rate case and thereafter elects to transition to a Multi-Year Rate Plan may do so only at the 4-year filing intervals identified by paragraph (8) of this subsection (d).

(10) The Commission shall approve tariffs establishing

rate design for all delivery service customers unless the electric utility makes the election specified in Section 16-105.5, in which case the rate design shall be subject to the provisions of that Section.

(11) The Commission shall establish requirements for annual performance evaluation reports to be submitted annually for performance metrics. Such reports shall include, but not be limited to, a description of the utility's performance under each metric and an identification of any extraordinary events that adversely affected the utility's performance.

(12) For the first Multi-Year Rate Plan, the Commission shall consolidate its investigation with the proceeding under Section 16-105.17 to establish the Multi-Year Integrated Grid Plan no later than 45 days after plan filing.

(13) Where a rate change under a Multi-Year Rate Plan will result in a rate increase, an electric utility may propose a rate phase-in plan that the Commission shall approve with or without modification or deny in its final order approving the new delivery services rates. A proposed rate phase-in plan under this paragraph (13) must allow the new delivery services rates to be implemented in no more than 2 steps, as follows: in the first step, at least 50% of the approved rate increase must be reflected in rates, and, in the second step, 100% of the rate

increase must be reflected in rates. The second step's rates must take effect no later than 12 months after the first step's rates were placed into effect. The portion of the approved rate increase not implemented in the first step shall be recorded on the electric utility's books as a regulatory asset, and shall accrue carrying costs to ensure that the utility does not recover more or less than it otherwise would because of the deferral. This portion shall be recovered, with such carrying costs at the weighted average cost of capital, through a surcharge applied to retail customer bills that (i) begins no later than 12 months after the date on which the second step's rates went into effect and (ii) is applied over a period not to exceed 24 months. Nothing in this paragraph is intended to limit the Commission's authority to mitigate the impact of rates caused by rate plans, or any other instance on a revenue-neutral basis; nor shall it mitigate or a utility's ability to make proposals to mitigate the impact of rates. When a deferral, or similar method, is used to mitigate the impact of rates, the utility should be allowed to recover carrying costs.

(14) Notwithstanding the provisions of Section (13), the Commission may, on its own initiative, take revenue-neutral measures to relieve the impact of rate increases on customers. Such initiatives may be taken by the Commission in the first Multi-Year Rate Plan,

subsequent multi-year plans, or in other instances described in this Act.

(15) Whenever during the pendency of a Multi-year Rate Plan, an electric utility subject to this Section becomes aware that, due to circumstances beyond its control, prudent operating practices will require the utility to make adjustments to the Multi-Year Rate Plan, the electric utility may file a petition with the Commission requesting modification of the approved annual revenue requirements included in the Multi-Year Rate Plan. The electric utility must support its request with evidence demonstrating why a modification is necessary, due to circumstances beyond the utility's control, to follow prudent operating practices and must set forth the changes to each annual revenue requirement to be approved, and the basis for any changes in anticipated operating expenses or capital investment levels. The utility shall affirmatively address the impact of the changes on the Multi-Year Integrated Grid Plan and Multi-Year Rate Plan originally submitted and approved by the Commission. Any interested party may file an objection to the changes proposed, or offer alternatives to the utility's proposal, as supported by testimony and evidence. After notice and hearing, the Commission shall issue a final order regarding the electric utility's request no later than 180 days after the filing of the petition.

(e) Performance incentive mechanisms.

(1) The electric industry is undergoing rapid transformation, including fundamental changes in how electricity is generated, procured, and delivered and how customers are choosing to participate in the supply and delivery of electricity to and from the electric grid. Building upon the State's goals to increase the procurement of electricity from renewable energy resources, including distributed generation and storage devices, the General Assembly finds that electric utilities should make cost-effective investments that support moving forward on Illinois' clean energy policies. It is therefore in the State's interest for the Commission to establish performance incentive mechanisms in order to better tie utility revenues to performance and customer benefits, accelerate progress on Illinois energy and other goals, ensure equity and affordability of rates for all customers, including low-income customers, and hold utilities publicly accountable.

(2) The Commission shall approve, based on the substantial evidence proffered in the proceeding initiated pursuant to this subsection performance metrics that, to the extent practicable and achievable by the electric utility, encourage cost-effective, equitable utility achievement of the outcomes described in this subsection (e) while ensuring no degradation in the significant

performance improvement achieved through previously established performance metrics. For each electric utility, the Commission shall approve metrics designed to achieve incremental improvements over baseline performance values and targets, over a performance period of up to 10 years, and no less than 4 years.

(A) The Commission shall approve no more than 8 metrics, with at least one metric from each of the categories below, for each electric utility, from subparagraphs (i) through (vi) of this subsection (A). Upon a utility request, the Commission may approve the use of a specific, measurable, and achievable tracking metric described in paragraph (3) of subsection (e) as a performance metric pursuant to paragraph (2) of subsection (e).

(i) Metrics designed to ensure the utility maintains and improves the high standards of both overall and locational reliability and resiliency, and makes improvements in power quality, including and particularly in environmental justice and equity investment eligible communities.

(ii) Peak load reductions attributable to demand response programs.

(iii) Supplier diversity expansion, including diverse contractor participation in professional services, subcontracting, and prime contracting

opportunities, development of programs that address the barriers to access, aligning demographics of contractors to the demographics in the utility's service territory, establish long-term mentoring relationships that develop and remove barriers to access for diverse and underserved contractors. The utilities shall provide solutions, resources, and tools to address complex barriers of entry related to costly and time-intensive cyber security requirements, increasingly complex information technology requirements, insurance barriers, service provider sign-up process barriers, administrative process barriers, and other barriers that inhibit access to RFPs and contracts. For programs with contracts over $1,000,000, winning bidders must demonstrate a subcontractor development or mentoring relationship with at least one of their diverse subcontracting partners for a core component of the scope of the project. The mentoring time and cost shall be taken into account in the creation of RFP and shall include a structured and measured plan by the prime contractor to increase the capabilities of the subcontractor in their proposed scope. The metric shall include reporting on all supplier diversity programs by goals,

program results, demographics and geography, with separate reporting by category of minority-owned, female-owned, veteran-owned, and disability-owned business enterprise metrics. The report shall include resources and expenses committed to the programs and conversion rates of new diverse utility contractors.

(iv) Achieve affordable customer delivery service costs, with particular emphasis on keeping the bills of lower-income households, households in equity investment eligible communities, and household in environmental justice communities within a manageable portion of their income and adopting credit and collection policies that reduce disconnections for these households specifically and for customers overall to ensure equitable disconnections, late fees, or arrearages as a result of utility credit and collection practices, which may include consideration of impact by zip code.

(v) Metrics designed around the utility's timeliness to customer requests for interconnection in key milestone areas, such as: initial response, supplemental review, and system feasibility study; improved average service reliability index for those customers that have

interconnected a distributed renewable energy generation device to the utility's distribution system and are lawfully taking service under an applicable tariff; offering a variety of affordable rate options, including demand response, time of use rates for delivery and supply, real-time pricing rates for supply; comprehensive and predictable net metering, and maximizing the benefits of grid modernization and clean energy for ratepayers; and improving customer access to utility system information according to consumer demand and interest.

(vi) Metrics designed to measure the utility's customer service performance, which may include the average length of time to answer a customer's call by a customer service representative, the abandoned call rate and the relative ranking of the electric utility, by a reputable third-party organization, in customer service satisfaction when compared to other similar electric utilities in the Midwest region.

(B) Performance metrics shall include a description of the metric, a calculation method, a data collection method, annual performance targets, and any incentives or penalties for the utility's achievement of, or failure to achieve, their

performance targets, provided that the total amount of potential incentives and penalties shall be symmetrical. Incentives shall be rewards or penalties or both, reflected as basis points added to, or subtracted from, the utility's cost of equity. The metrics and incentives shall apply for the entire time period covered by a Multi-Year Rate Plan. The total for all metrics shall be equal to 40 basis points, however, the Commission may adjust the basis points upward or downward by up to 20 basis points for any given Multi-Year Rate Plan, as appropriate, but in no event may the total exceed 60 basis points or fall below 20 basis points.

(C) Metrics related to reliability shall be implemented to ensure equitable benefits to environmental justice and equity investment eligible communities, as defined in this Act.

(D) The Commission shall approve performance metrics that are reasonably within control of the utility to achieve. The Commission also shall not approve a metric that is solely expected to have the effect of reducing the workforce. Performance metrics should measure outcomes and actual, rather than projected, results where possible. Nothing in this paragraph is intended to require that different electric utilities must be subject to the same

metrics, goals, or incentives.

(E) Increases or enhancements to an existing performance goal or target shall be considered in light of other metrics, cost-effectiveness, and other factors the Commission deems appropriate. Performance metrics shall include one year of tracking data collected in a consistent manner, verifiable by an independent evaluator in order to establish a baseline and measure outcomes and actual results against projections where possible.

(F) For the purpose of determining reasonable performance metrics and related incentives, the Commission shall develop a methodology to calculate net benefits that includes customer and societal costs and benefits and quantifies the effect on delivery rates. In determining the appropriate level of a performance incentive, the Commission shall consider: the extent to which the amount is likely to encourage the utility to achieve the performance target in the least cost manner; the value of benefits to customers, the grid, public health and safety, and the environment from achievement of the performance target, including in particular benefits to equity investment eligible community; the affordability of customer's electric bills, including low-income customers, the utility's revenue requirement, the

promotion of renewable and distributed energy, and other such factors that the Commission deems appropriate. The consideration of these factors shall result in an incentive level that ensures benefits exceed costs for customers.

(G) Achievement of performance metrics are based on the assumptions that the utility will adopt or implement the technology and equipment, and make the investments to the extent reasonably necessary to achieve the goal. If the electric utility is unable to meet the performance metrics as a result of extraordinary circumstances outside of its control, including but not limited to government-declared emergencies, then the utility shall be permitted to file a petition with the Commission requesting that the utility be excused from compliance with the applicable performance goal or goals and the associated financial incentives and penalties. The burden of proof shall be on the utility, consistent with Article IX, and the utility's petition shall be supported by substantial evidence. The Commission shall, after notice and hearing, enter its order approving or denying, in whole or in part, the utility's petition based on the extent to which the utility demonstrated that its achievement of the affected metrics and performance goals was hindered by

extraordinary circumstances outside of the utility's control.

(3) The Commission shall approve reasonable and appropriate tracking metrics to collect and monitor data for the purpose of measuring and reporting utility performance and for establishing future performance metrics. These additional tracking metrics shall include at least one metric from each of the following categories of performance:

(A) Minimize emissions of greenhouse gases and other air pollutants that harm human health, particularly in environmental justice and equity investment eligible communities, through minimizing total emissions by accelerating electrification of transportation, buildings and industries where such electrification results in net reductions, across all fuels and over the life of electrification measures, of greenhouse gases and other pollutants, taking into consideration the fuel mix used to produce electricity at the relevant hour and the effect of accelerating electrification on electricity delivery services rates, supply prices and peak demand, provided the revenues the utility receives from accelerating electrification of transportation, buildings and industries exceed the costs.

(B) Enhance the grid's flexibility to adapt to

increased deployment of nondispatchable resources, improve the ability and performance of the grid on load balancing, and offer a variety of rate plans to match consumer consumption patterns and lower consumer bills for electricity delivery and supply.

(C) Ensure rates reflect cost savings attributable to grid modernization and utilize distributed energy resources that allow the utility to defer or forgo traditional grid investments that would otherwise be required to provide safe and reliable service.

(D) Metrics designed to create and sustain full-time-equivalent jobs and opportunities for all segments of the population and workforce, including minority-owned businesses, women-owned businesses, veteran-owned businesses, and businesses owned by a person or persons with a disability, and that do not, consistent with State and federal law, discriminate based on race or socioeconomic status as a result of this amendatory Act of the 102nd General Assembly.

(E) Maximize and prioritize the allocation of grid planning benefits to environmental justice and economically disadvantaged customers and communities, such that all metrics provide equitable benefits across the utility's service territory and maintain and improve utility customers' access to uninterrupted utility services.

(4) The Commission may establish new tracking and performance metrics in future Multi-Year Rate Plans to further measure achievement of the outcomes set forth in paragraph (2) of subsection (f) of this Section and the other goals and requirements of this Section.

(5) The Commission shall also evaluate metrics that were established in prior Multi-Year Rate Plans to determine if there has been an unanticipated material change in circumstances such that adjustments are required to improve the likelihood of the outcomes described in paragraph (2) of subsection (f). For metrics that were established in prior Multi-Year Rate Plan proceedings and that the Commission elects to continue, the design of these metrics, including the goals of tracking metrics and the targets and incentive levels and structures of performance metrics, may be adjusted pursuant to the requirements in this Section. The Commission may also change, adjust or phase out tracking and performance metrics that were established in prior Multi-Year Rate Plan proceedings if these metrics no longer meet the requirements of this Section or if they are rendered obsolete by the changing needs and technology of an evolving grid. Additionally, performance metrics that no longer require an incentive to create improved utility performance may become tracking metrics in a Multi-Year Rate Plan proceeding.

(6) The Commission shall initiate a workshop process no later than August 1, 2021, or 15 days after the effective date of this amendatory Act of the 102nd General Assembly, whichever is later, for the purpose of facilitating the development of metrics for each utility. The workshop shall be coordinated by the staff of the Commission, or a facilitator retained by staff, and shall be organized and facilitated in a manner that encourages representation from diverse stakeholders and ensures equitable opportunities for participation, without requiring formal intervention or representation by an attorney. Working with staff of the Commission the facilitator may conduct a combination of workshops specific to a utility or applicable to multiple utilities where content and stakeholders are substantially similar. The workshop process shall conclude no later than October 31, 2021. Following the workshop, the staff of the Commission, or the facilitator retained by the Staff, shall prepare and submit a report to the Commission that identifies the participants in the process, the metrics proposed during the process, any material issues that remained unresolved at the conclusions of such process, and any recommendations for workshop process improvements. Any workshop participant may file comments and reply comments in response to the Staff report.

(A) No later than January, 20, 2022, each electric

utility that intends to file a petition pursuant to subsection (b) of this Section shall file a petition with the Commission seeking approval of its performance metrics, which shall include for each metric, at a minimum, (i) a detailed description, (ii) the calculation of the baseline, (iii) the performance period and overall performance goal, provided that the performance period shall not commence prior to January 1, 2024, (iv) each annual performance goal, (v) the performance adjustment, which shall be a symmetrical basis point increase or decrease to the utility's cost of equity based on the extent to which the utility achieved the annual performance goal, and (vi) the new or modified tariff mechanism that will apply the performance adjustments. The Commission shall issue its order approving, or approving with modification, the utility's proposed performance metrics no later than September 30, 2022.

(B) No later than August 1, 2025, the Commission shall initiate a workshop process that conforms to the workshop purpose and requirements of this paragraph (6) of this Section to the extent they do not conflict. The workshop process shall conclude no later than October 31, 2025, and the staff of the Commission, or the facilitator retained by the Staff, shall prepare and submit a report consistent with the requirements

described in this paragraph (6) of this Section. No later than January 20, 2026, each electric utility subject to the requirements of this Section shall file a petition the reflects, and is consistent with, the components required in this paragraph (6) of this Section, and the Commission shall issue its order approving, or approving with modification, the utility's proposed performance metrics no later than September 30, 2026.

(f) On May 1 of each year, following the approval of the first Multi-Year Rate Plan and its initial year, the Commission shall open an annual performance evaluation proceeding to evaluate the utilities' performance on their metric targets during the year just completed, as well as the appropriate Annual Adjustment as defined in paragraph (6). The Commission shall determine the performance and annual adjustments to be applied through a surcharge in the following calendar year.

(1) On February 15 of each year, prior to the annual performance evaluation proceeding, each utility shall file a performance evaluation report with the Commission that includes a description of and all data supporting how the utility performed under each performance metric and an identification of any extraordinary events that adversely impacted the utility's performance.

(2) The metrics approved under this Section are based

on the assumptions that the utility may fully implement the technology and equipment, and make the investments, required to achieve the metrics and performance goals. If the utility is unable to meet the metrics and performance goals because it was hindered by unanticipated technology or equipment implementation delays, government-declared emergencies, or other investment impediments, then the utility shall be permitted to file a petition with the Commission on or before the date that its report is due pursuant to paragraph (1) of this subsection (f) requesting that the utility be excused from compliance with the applicable performance goal or goals. The burden of proof shall be on the utility, consistent with Article IX, and the utility's petition shall be supported by substantial evidence. No later than 90 days after the utility files its petition, the Commission shall, after notice and hearing, enter its order approving or denying, in whole or in part, the utility's petition based on the extent to which the utility demonstrated that its achievement of the affected metrics and performance goals was hindered by unanticipated technology or equipment implementation delays, or other investment impediments, that were reasonably outside of the utility's control.

(3) The electric utility shall provide for an annual independent evaluation of its performance on metrics. The independent evaluator shall review the utility's

assumptions, baselines, targets, calculation methodologies, and other relevant information, especially ensuring that the utility's data for establishing baselines matches actual performance, and shall provide a report to the Commission in each annual performance evaluation describing the results. The independent evaluator shall present this report as evidence as a nonparty participant and shall not be represented by the utility's legal counsel. The independent evaluator shall be hired through a competitive bidding process with approval of the contract by the Commission.

The Commission shall consider the report of the independent evaluator in determining the utility's achievement of performance targets. Discrepancies between the utility's assumptions, baselines, targets, or calculations and those of the independent evaluator shall be closely scrutinized by the Commission. If the Commission finds that the utility's reported data for any metric or metrics significantly and incorrectly deviates from the data reported by the independent evaluator, then the Commission shall order the utility to revise its data collection and calculation process within 60 days, with specifications where appropriate.

(4) The Commission shall, after notice and hearing in the annual performance evaluation proceeding, enter an order approving the utility's performance adjustment based

on its achievement of or failure to achieve its performance targets no later than December 20 each year. The Commission-approved penalties or incentives shall be applied beginning with the next calendar year.

(5) In order to promote the transparency of utility investments during the effective period of a multi-year rate plan, inform the Commission's investigation and adjustment of rates in the annual adjustment process, and to facilitate the participation of stakeholders in the annual adjustment process, an electric utility with an effective Multi-Year Rate Plan shall, within 90 days of the close of each quarter during the Multi-Year Rate Plan period, submit to the Commission a report that summarizes the additions to utility plant that were placed into service during the prior quarter, which for purposes of the report shall be the most recently closed fiscal quarter. The report shall also summarize the utility plant the electric utility projects it will place into service through the end of the calendar year in which the report is filed. The projections, estimates, plans, and forward-looking information that are provided in the reports pursuant to this paragraph (5) are for planning purposes and are intended to be illustrative of the investments that the utility proposes to make as of the time of submittal. Nothing in this paragraph (5) precludes, or is intended to limit, a utility's ability to

modify and update its projections, estimates, plans, and forward-looking information previously submitted in order to reflect stakeholder input or other new or updated information and analysis, including, but not limited to, changes in specific investment needs, customer electric use patterns, customer applications and preferences, and commercially available equipment and technologies, however the utility shall explain any changes or deviations between the projected investments from the quarterly reports and actual investments in the annual report. The reports submitted pursuant to this subsection are intended to be flexible planning tools, and are expected to evolve as new information becomes available. Within 7 days of receiving a quarterly report, the Commission shall timely make such report available to the public by posting it on the Commission's website. Each quarterly report shall include the following detail:

(A) The total dollar value of the additions to utility plant placed in service during the prior quarter;

(B) A list of the major investment categories the electric utility used to manage its routine standing operational activities during the prior quarter including the total dollar amount for the work reflected in each investment category in which utility plant in service is equal to or greater than

$2,000,000 for an electric utility that serves more than 3,000,000 customers in the State or $500,000 for an electric utility that serves less than 3,000,000 customers but more than 500,000 customers in the State as of the last day of the quarterly reporting period, as well as a summary description of each investment category;

(C) A list of the projects which the electric utility has identified by a unique investment tracking number for utility plant placed in service during the prior quarter for utility plant placed in service with a total dollar value as of the last day of the quarterly reporting period that is equal to or greater than $2,000,000 for an electric utility that serves more than 3,000,000 customers in the State or $500,000 for an electric utility that serves less than 3,000,000 retail customers but more than $500,000 retail customers in the State, as well as a summary of each project;

(D) The estimated total dollar value of the additions to utility plant projected to be placed in service through the end of the calendar year in which the report is filed;

(E) A list of the major investment categories the electric utility used to manage its routine standing operational activities with utility plant projected to

be placed in service through the end of the calendar year in which the report is filed, including the total dollar amount for the work reflected in each investment category in which utility plant in service is projected to be equal to or greater than $2,000,000 for an electric utility that serves more than 3,000,000 customers in the State or $500,000 for an electric utility that serves less than 3,000,000 retail customers but more than 500,000 retail customers in the State, as well as a summary description of each investment category; and

(F) A list of the projects for which the electric utility has identified by a unique investment tracking number for utility plant projected to be placed in service through the end of the calendar year in which the report is filed with an estimated dollar value that is equal to or greater than $2,000,000 for an electric utility that serves more than 3,000,000 customers in the State or $500,000 for an electric utility that serves less than 3,000,000 retails customers but more than $500,000 retail customers in the State, as well as a summary description of each project.

(6) As part of the Annual Performance Adjustment, the electric utility shall submit evidence sufficient to support a determination of its actual revenue requirement

for the applicable calendar year, consistent with the provisions of paragraphs (d) and (f) of this subsection. The electric utility shall bear the burden of demonstrating that its costs were prudent and reasonable, subject to the provisions of paragraph (4) of this subsection (f). The Commission's review of the electric utility's annual adjustment shall be based on the same evidentiary standards, including, but not limited to, those concerning the prudence and reasonableness of the known and measurable costs forecasted to be incurred by the utility, and the used and usefulness of the actual plant investment pursuant to Section 9-211 of this Act, that the Commission applies in a proceeding to review a filing for changes in rates pursuant to Section 9-201 of this Act. The Commission shall determine the prudence and reasonableness of the actual costs incurred by the utility during the applicable calendar year, as well as determine the original cost of plant in service as of the end of the applicable calendar year. The Commission shall then determine the Annual Adjustment, which shall mean the amount by which, the electric utility's actual revenue requirement for the applicable year of the Multi-Year Rate Plan either exceeded, or was exceeded by, the revenue requirement approved by the Commission for such calendar year, plus carrying costs calculated at the weighted average cost of capital approved for the Multi-Year Rate

Plan.

The Commission's determination of the electric utility's actual revenue requirement for the applicable calendar year shall be based on:

(A) the Commission-approved used and useful, prudent and reasonable actual costs for the applicable calendar year, which shall be determined pursuant to the following criteria:

(i) The overall level of actual costs incurred during the calendar year, provided that the Commission may not allow recovery of actual costs that are more than 105% of the approved revenue requirement calculated as provided in item (ii) of this subparagraph (A), except to the extent the Commission approves a modification of the Multi-Year Rate Plan to permit such recovery.

(ii) The calculation of 105% of the revenue requirement required by this subparagraph (A) shall exclude the revenue requirement impacts of the following volatile and fluctuating variables that occurred during the year: (i) storms and weather-related events for which the utility provides sufficient evidence to demonstrate that such expenses were not foreseeable and not in control of the utility; (ii) new business; (iii) changes in interest rates; (iv) changes in taxes;

(v) facility relocations; (vi) changes in pension or post-retirement benefits costs due to fluctuations in interest rates, market returns or actuarial assumptions; (vii) amortization expenses related to costs; and (viii) changes in the timing of when an expenditure or investment is made such that it is accelerated to occur during the applicable year or deferred to occur in a subsequent year.

(B) the year-end rate base;

(C) the cost of equity approved in the multi-year rate plan; and

(D) the electric utility's actual year-end capital structure, provided that the common equity ratio in such capital structure may not exceed the common equity ratio that was approved by the Commission in the Multi-Year Rate Plan.

(2) The Commission's determinations of the prudence and reasonableness of the costs incurred for the applicable year, and of the original cost of plant in service as of the end of the applicable calendar year, shall be final upon entry of the Commission's order and shall not be subject to collateral attack in any other Commission proceeding, case, docket, order, rule, or regulation; however, nothing in this Section shall prohibit a party from petitioning the Commission to rehear

or appeal to the courts the order pursuant to the provisions of this Act.

(g) During the period leading to approval of the first Multi-Year Integrated Grid Plan, each electric utility will necessarily continue to invest in its distribution grid. Those investments will be subject to a determination of prudence and reasonableness consistent with Commission practice and law. Any failure to conform to the Multi-Year Integrated Grid Plan ultimately approved shall not imply imprudence or unreasonableness.

(h) After calculating the Performance Adjustment and Annual Adjustment, the Commission shall order the electric utility to collect the amount in excess of the revenue requirement from customers, or issue a refund to customers, as applicable, to be applied through a surcharge beginning with the next calendar year.

Electric utilities subject to the requirements of this Section shall be permitted to file new or revised tariffs to comply with the provisions of, and Commission orders entered pursuant to, this Section.

(220 ILCS 5/16-108.19 new)

Sec. 16-108.19. Division of Integrated Distribution Planning.

(a) The Commission shall establish the Division of Integrated Distribution Planning within the Bureau of Public

Utilities. The Division shall be staffed by no less than 13 professionals, including engineers, rate analysts, accountants, policy analysts, utility research and analysis analysts, cybersecurity analysts, informational technology specialists, and lawyers to review and evaluate Integrated Grid Plans, updates to Integrated Grid Plans, audits, and other duties as assigned by the Chief of the Public Utilities Bureau.

(b) The Division of Integrated Distribution Planning shall be established by January 1, 2022.

(220 ILCS 5/16-108.20 new)

Sec. 16-108.20. Cost-effectiveness incentive.

(a) The General Assembly finds that it is critical to maintain this focus on utility bill affordability as the State transitions to a clean energy economy. The General Assembly accordingly finds that it may be in the public interest to incentivize electric utilities to reduce spending where practicable and where such reduction will not have an adverse impact on the State's clean energy goals; this Act's overarching objectives of efficiency, environmental quality, reliability, and equity; or the utility's achievement on its metrics.

(b) In addition to the performance metrics established and approved by the Commission pursuant to Section 16-108.18 of this Act, the Commission may also determine whether each

electric utility that serves more than 500,000 retail customers in the State may also be subject to a performance metric that incentivizes the utility to make cost-effective choices and stretch to achieve cost savings for public utility customers where it can do so without adverse impact (on efficiency, environmental quality, reliability or equity).

(c) The Commission shall initiate a docket on the subject of cost-effective shared savings, and shall make a determination if it would be in the public interest and the best interest of electric utility customers to establish a performance metric that incentivizes utilities to reduce their costs while meeting all other performance metrics and addressing state goals as found in this Act.

(d) At the conclusion of the docket, if the Commission determines that such an incentive is in the best interest of consumers, the Commission shall have the authority to set a specific metric as part of the performance metric process pursuant to Section 16-108.18. Such metric shall include a determination of the percentage of the shared savings to be returned to the customers and to the utility. Such percentage shall be set so as to incentivize the utility to make savings, while providing substantial benefits to consumers.

(220 ILCS 5/16-108.21 new)

Sec. 16-108.21. Accelerated repayment of excess deferred income tax.

(a) The General Assembly finds:

(1) That a portion of each utility's compensation from ratepayers is attributable to reimbursement for federal taxes paid by the utility.

(2) Due to the enactment of the 2017 Tax Cut and Jobs Act, the federal income tax rate for corporations was lowered, resulting in excess deferred income tax for distribution utilities in the State that serve more than 100,000 customers.

(3) In proceedings before the Commission, it was determined that the repayment period to ratepayers by the utilities which serve more than 100,000 customers in this State for this excess deferred income tax would be 39.5 years.

(4) The COVID-19 pandemic has harmed many customers of all rate classes in the State, and resulted in the Commission adopting a number of measures to provide relief for customers.

(5) It would be in the interest of the State for the repayment of the excess deferred income tax referenced in Commission Dockets 19-0436, 19-0387, 20-0381, and 20-0393 to be paid back to ratepayers on a timetable greatly accelerated from that set forth in the dockets.

(b) Notwithstanding the Commission Orders in Dockets 19-0436, 19-0387, 20-0381, and 20-0382, the excess deferred income tax referenced in those dockets shall be fully refunded

to ratepayers by the respective utilities no later than December 31, 2025.

(c) The Commission shall initiate a docket to provide for the refunding of these excess deferred income taxes to ratepayers of the utilities referenced in those dockets, and shall set forth any necessary provisions to accomplish the reimbursement on the schedule delineated in subsection (b).

(220 ILCS 5/16-108.25 new)

Sec. 16-108.25. Tariff regarding transition in rates. Each electric utility that files a Multi-Year Rate Plan pursuant to Section 16-108.18 of this Act or a general rate case as described in this Act shall also file a tariff that sets forth the processes and procedures by which the electric utility will transition from its current rates and ratemaking mechanism to the new Multi-Year Rate Plan or a general rate case and rates that will take effect under that multi-year plan. The proposed tariff shall be consistent with the tariff approved by the Commission in Docket No. 20-0426 and covers the period until the new delivery rates are effective and all required processes and procedures described in the tariff have been completed.

Each electric utility subject to this Section shall file its proposed tariff no later than 30 days after the effective date of this amendatory Act of the 102nd General Assembly, and the Commission shall enter its order approving the tariff no

later than 120 days after it was filed if the Commission finds that the proposed tariff is consistent with the tariff previously approved in Docket No. 20-0426 for the period until the new delivery rates are effective and all required processes and procedures described in the tariff have been completed. If the Commission does not so find, then the Commission shall approve the utility's tariff with those modifications that are required to make the proposed tariff consistent with the tariff approved in Docket 20-0426 until the new delivery rates are effective and all required processes and procedures described in the tariff have been completed.

An electric utility that has a tariff in effect on the effective date of this amendatory Act of the 102nd General Assembly that provides for the transition from its current rates and ratemaking mechanism to new base rates approved pursuant to Article IX of this Act, shall file a compliance tariff modifying its existing tariff to comply with the provisions of this Section. The compliance tariff shall go into effect on 45 days' notice.

(220 ILCS 5/16-108.30 new)

Sec. 16-108.30. Energy Transition Assistance Fund.

(a) The Energy Transition Assistance Fund is hereby created as a special fund in the State Treasury. The Energy Transition Assistance Fund is authorized to receive moneys

collected pursuant to this Section. Subject to appropriation, the Department of Commerce and Economic Opportunity shall use moneys from the Energy Transition Assistance Fund consistent with the purposes of this Act.

(b) An electric utility serving more than 500,000 customers in the State shall assess an energy transition assistance charge on all its retail customers for the Energy Transition Assistance Fund. The utility's total charge shall be set based upon the value determined by the Department of Commerce and Economic Opportunity pursuant to subsection (d) or (e), as applicable, of Section 605-1075 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. For each utility, the charge shall be recovered through a single, uniform cents per kilowatt-hour charge applicable to all retail customers. For each utility, the charge shall not exceed 1.3% of the amount paid per kilowatthour by those customers during the year ending May 31, 2009.

(c) Within 75 days of the effective date of this amendatory Act of the 102nd General Assembly, each electric utility serving more than 500,000 customers in the State shall file with the Illinois Commerce Commission tariffs incorporating the energy transition assistance charge in other charges stated in such tariffs, which shall become effective no later than the beginning of the first billing cycle following such filing. Each electric utility serving more than

500,000 customers in the State shall, prior to the beginning of each calendar year starting with calendar year 2021, file with the Illinois Commerce Commission tariff revisions to incorporate annual revisions to the energy transition assistance charge as prescribed by the Department of Commerce and Economic Opportunity pursuant to Section 605-1075 of the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois so that such revision becomes effective no later than the beginning of the first billing cycle in each respective year.

(d) The energy transition assistance charge shall be considered a charge for public utility service.

(e) By the 20th day of the month following the month in which the charges imposed by this Section were collected, each electric utility serving more than 500,000 customers in the State shall remit to Department of Revenue all moneys received as payment of the energy transition assistance charge on a return prescribed and furnished by the Department of Revenue showing such information as the Department of Revenue may reasonably require. If a customer makes a partial payment, a public utility may apply such partial payments first to amounts owed to the utility. No customer may be subjected to disconnection of his or her utility service for failure to pay the energy transition assistance charge.

If any payment provided for in this subsection exceeds the electric utility's liabilities under this Act, as shown on an

original return, the Department may authorize the electric utility to credit such excess payment against liability subsequently to be remitted to the Department under this Act, in accordance with reasonable rules adopted by the Department.

All the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act that are not inconsistent with this Act apply, as far as practicable, to the charge imposed by this Act to the same extent as if those provisions were included in this Act. References in the incorporated Sections of the Retailers' Occupation Tax Act to retailers, to sellers, or to persons engaged in the business of selling tangible personal property mean persons required to remit the charge imposed under this Act.

(f) The Department of Revenue shall deposit into the Energy Transition Assistance Fund all moneys remitted to it in accordance with this Section.

(g) The Department of Revenue may establish such rules as it deems necessary to implement this Section.

(h) The Department of Commerce and Economic Opportunity may establish such rules as it deems necessary to implement this Section.

(220 ILCS 5/16-111.5)

Sec. 16-111.5. Provisions relating to procurement.

(a) An electric utility that on December 31, 2005 served

at least 100,000 customers in Illinois shall procure power and energy for its eligible retail customers in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act and this Section. Beginning with the delivery year commencing on June 1, 2017, such electric utility shall also procure zero emission credits from zero emission facilities in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act, and, for years beginning on or after June 1, 2017, the utility shall procure renewable energy resources in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act and this Section. Beginning with the delivery year commencing on June 1, 2022, an electric utility serving over 3,000,000 customers shall also procure carbon mitigation credits from carbon-free energy resources in accordance with the applicable provisions set forth in Section 1-75 of the Illinois Power Agency Act and this Section. A small multi-jurisdictional electric utility that on December 31, 2005 served less than 100,000 customers in Illinois may elect to procure power and energy for all or a portion of its eligible Illinois retail customers in accordance with the applicable provisions set forth in this Section and Section 1-75 of the Illinois Power Agency Act. This Section shall not apply to a small multi-jurisdictional utility until such time as a small multi-jurisdictional utility requests the Illinois Power Agency to prepare a

procurement plan for its eligible retail customers. "Eligible retail customers" for the purposes of this Section means those retail customers that purchase power and energy from the electric utility under fixed-price bundled service tariffs, other than those retail customers whose service is declared or deemed competitive under Section 16-113 and those other customer groups specified in this Section, including self-generating customers, customers electing hourly pricing, or those customers who are otherwise ineligible for fixed-price bundled tariff service. For those customers that are excluded from the procurement plan's electric supply service requirements, and the utility shall procure any supply requirements, including capacity, ancillary services, and hourly priced energy, in the applicable markets as needed to serve those customers, provided that the utility may include in its procurement plan load requirements for the load that is associated with those retail customers whose service has been declared or deemed competitive pursuant to Section 16-113 of this Act to the extent that those customers are purchasing power and energy during one of the transition periods identified in subsection (b) of Section 16-113 of this Act.

(b) A procurement plan shall be prepared for each electric utility consistent with the applicable requirements of the Illinois Power Agency Act and this Section. For purposes of this Section, Illinois electric utilities that are affiliated by virtue of a common parent company are considered to be a

single electric utility. Small multi-jurisdictional utilities may request a procurement plan for a portion of or all of its Illinois load. Each procurement plan shall analyze the projected balance of supply and demand for those retail customers to be included in the plan's electric supply service requirements over a 5-year period, with the first planning year beginning on June 1 of the year following the year in which the plan is filed. The plan shall specifically identify the wholesale products to be procured following plan approval, and shall follow all the requirements set forth in the Public Utilities Act and all applicable State and federal laws, statutes, rules, or regulations, as well as Commission orders. Nothing in this Section precludes consideration of contracts longer than 5 years and related forecast data. Unless specified otherwise in this Section, in the procurement plan or in the implementing tariff, any procurement occurring in accordance with this plan shall be competitively bid through a request for proposals process. Approval and implementation of the procurement plan shall be subject to review and approval by the Commission according to the provisions set forth in this Section. A procurement plan shall include each of the following components:

(1) Hourly load analysis. This analysis shall include:

(i) multi-year historical analysis of hourly loads;

(ii) switching trends and competitive retail

market analysis;

(iii) known or projected changes to future loads; and

(iv) growth forecasts by customer class.

(2) Analysis of the impact of any demand side and renewable energy initiatives. This analysis shall include:

(i) the impact of demand response programs and energy efficiency programs, both current and projected; for small multi-jurisdictional utilities, the impact of demand response and energy efficiency programs approved pursuant to Section 8-408 of this Act, both current and projected; and

(ii) supply side needs that are projected to be offset by purchases of renewable energy resources, if any.

(3) A plan for meeting the expected load requirements that will not be met through preexisting contracts. This plan shall include:

(i) definitions of the different Illinois retail customer classes for which supply is being purchased;

(ii) the proposed mix of demand-response products for which contracts will be executed during the next year. For small multi-jurisdictional electric utilities that on December 31, 2005 served fewer than 100,000 customers in Illinois, these shall be defined as demand-response products offered in an energy

efficiency plan approved pursuant to Section 8-408 of this Act. The cost-effective demand-response measures shall be procured whenever the cost is lower than procuring comparable capacity products, provided that such products shall:

(A) be procured by a demand-response provider from those retail customers included in the plan's electric supply service requirements;

(B) at least satisfy the demand-response requirements of the regional transmission organization market in which the utility's service territory is located, including, but not limited to, any applicable capacity or dispatch requirements;

(C) provide for customers' participation in the stream of benefits produced by the demand-response products;

(D) provide for reimbursement by the demand-response provider of the utility for any costs incurred as a result of the failure of the supplier of such products to perform its obligations thereunder; and

(E) meet the same credit requirements as apply to suppliers of capacity, in the applicable regional transmission organization market;

(iii) monthly forecasted system supply

requirements, including expected minimum, maximum, and average values for the planning period;

(iv) the proposed mix and selection of standard wholesale products for which contracts will be executed during the next year, separately or in combination, to meet that portion of its load requirements not met through pre-existing contracts, including but not limited to monthly 5 x 16 peak period block energy, monthly off-peak wrap energy, monthly 7 x 24 energy, annual 5 x 16 energy, other standardized energy or capacity products designed to provide eligible retail customer benefits from commercially deployed advanced technologies including but not limited to high voltage direct current converter stations, as such term is defined in Section 1-10 of the Illinois Power Agency Act, whether or not such product is currently available in wholesale markets, annual off-peak wrap energy, annual 7 x 24 energy, monthly capacity, annual capacity, peak load capacity obligations, capacity purchase plan, and ancillary services;

(v) proposed term structures for each wholesale product type included in the proposed procurement plan portfolio of products; and

(vi) an assessment of the price risk, load uncertainty, and other factors that are associated

with the proposed procurement plan; this assessment, to the extent possible, shall include an analysis of the following factors: contract terms, time frames for securing products or services, fuel costs, weather patterns, transmission costs, market conditions, and the governmental regulatory environment; the proposed procurement plan shall also identify alternatives for those portfolio measures that are identified as having significant price risk and mitigation in the form of additional retail customer and ratepayer price, reliability, and environmental benefits from standardized energy products delivered from commercially deployed advanced technologies, including, but not limited to, high voltage direct current converter stations, as such term is defined in Section 1-10 of the Illinois Power Agency Act, whether or not such product is currently available in wholesale markets.

(4) Proposed procedures for balancing loads. The procurement plan shall include, for load requirements included in the procurement plan, the process for (i) hourly balancing of supply and demand and (ii) the criteria for portfolio re-balancing in the event of significant shifts in load.

(5) Long-Term Renewable Resources Procurement Plan. The Agency shall prepare a long-term renewable resources

procurement plan for the procurement of renewable energy credits under Sections 1-56 and 1-75 of the Illinois Power Agency Act for delivery beginning in the 2017 delivery year.

(i) The initial long-term renewable resources procurement plan and all subsequent revisions shall be subject to review and approval by the Commission. For the purposes of this Section, "delivery year" has the same meaning as in Section 1-10 of the Illinois Power Agency Act. For purposes of this Section, "Agency" shall mean the Illinois Power Agency.

(ii) The long-term renewable resources planning process shall be conducted as follows:

(A) Electric utilities shall provide a range of load forecasts to the Illinois Power Agency within 45 days of the Agency's request for forecasts, which request shall specify the length and conditions for the forecasts including, but not limited to, the quantity of distributed generation expected to be interconnected for each year.

(B) The Agency shall publish for comment the initial long-term renewable resources procurement plan no later than 120 days after the effective date of this amendatory Act of the 99th General Assembly and shall review, and may revise, the

plan at least every 2 years thereafter. To the extent practicable, the Agency shall review and propose any revisions to the long-term renewable energy resources procurement plan in conjunction with the Agency's other planning and approval processes conducted under this Section. The initial long-term renewable resources procurement plan shall:

(aa) Identify the procurement programs and competitive procurement events consistent with the applicable requirements of the Illinois Power Agency Act and shall be designed to achieve the goals set forth in subsection (c) of Section 1-75 of that Act.

(bb) Include a schedule for procurements for renewable energy credits from utility-scale wind projects, utility-scale solar projects, and brownfield site photovoltaic projects consistent with subparagraph (G) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act.

(cc) Identify the process whereby the Agency will submit to the Commission for review and approval the proposed contracts to implement the programs required by such plan.

Copies of the initial long-term renewable resources procurement plan and all subsequent revisions shall be posted and made publicly available on the Agency's and Commission's websites, and copies shall also be provided to each affected electric utility. An affected utility and other interested parties shall have 45 days following the date of posting to provide comment to the Agency on the initial long-term renewable resources procurement plan and all subsequent revisions. All comments submitted to the Agency shall be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the procurement plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Agency's and Commission's websites. During this 45-day comment period, the Agency shall hold at least one public hearing within each utility's service area that is subject to the requirements of this paragraph (5) for the purpose of receiving public comment. Within 21 days following the end of the 45-day review period, the Agency may revise the long-term renewable resources procurement plan based on the comments received and shall file the plan with the Commission for review and approval.

(C) Within 14 days after the filing of the initial long-term renewable resources procurement plan or any subsequent revisions, any person objecting to the plan may file an objection with the Commission. Within 21 days after the filing of the plan, the Commission shall determine whether a hearing is necessary. The Commission shall enter its order confirming or modifying the initial long-term renewable resources procurement plan or any subsequent revisions within 120 days after the filing of the plan by the Illinois Power Agency.

(D) The Commission shall approve the initial long-term renewable resources procurement plan and any subsequent revisions, including expressly the forecast used in the plan and taking into account that funding will be limited to the amount of revenues actually collected by the utilities, if the Commission determines that the plan will reasonably and prudently accomplish the requirements of Section 1-56 and subsection (c) of Section 1-75 of the Illinois Power Agency Act. The Commission shall also approve the process for the submission, review, and approval of the proposed contracts to procure renewable energy credits or implement the programs authorized by the Commission pursuant to a long-term renewable

resources procurement plan approved under this Section.

In approving any long-term renewable resources procurement plan after the effective date of this amendatory Act of the 102nd General Assembly, the Commission shall approve or modify the Agency's proposal for minimum equity standards pursuant to subsection (c-10) of Section 1-75 of the Illinois Power Agency Act. The Commission shall consider any analysis performed by the Agency in developing its proposal, including past performance, availability of equity eligible contractors, and availability of equity eligible persons at the time the long-term renewable resources procurement plan is approved.

(iii) The Agency or third parties contracted by the Agency shall implement all programs authorized by the Commission in an approved long-term renewable resources procurement plan without further review and approval by the Commission. Third parties shall not begin implementing any programs or receive any payment under this Section until the Commission has approved the contract or contracts under the process authorized by the Commission in item (D) of subparagraph (ii) of paragraph (5) of this subsection (b) and the third party and the Agency or utility, as applicable, have

executed the contract. For those renewable energy credits subject to procurement through a competitive bid process under the plan or under the initial forward procurements for wind and solar resources described in subparagraph (G) of paragraph (1) of subsection (c) of Section 1-75 of the Illinois Power Agency Act, the Agency shall follow the procurement process specified in the provisions relating to electricity procurement in subsections (e) through (i) of this Section.

(iv) An electric utility shall recover its costs associated with the procurement of renewable energy credits under this Section and pursuant to subsection (c-5) of Section 1-75 of the Illinois Power Agency Act through an automatic adjustment clause tariff under subsection (k) or a tariff pursuant to subsection (i-5), as applicable, of Section 16-108 of this Act. A utility shall not be required to advance any payment or pay any amounts under this Section that exceed the actual amount of revenues collected by the utility under paragraph (6) of subsection (c) of Section 1-75 of the Illinois Power Agency Act, subsection (c-5) of Section 1-75 of the Illinois Power Agency Act, and subsection (k) or subsection (i-5), as applicable, of Section 16-108 of this Act, and contracts executed under this Section shall expressly incorporate this

limitation.

(v) For the public interest, safety, and welfare, the Agency and the Commission may adopt rules to carry out the provisions of this Section on an emergency basis immediately following the effective date of this amendatory Act of the 99th General Assembly.

(vi) On or before July 1 of each year, the Commission shall hold an informal hearing for the purpose of receiving comments on the prior year's procurement process and any recommendations for change.

(b-5) An electric utility that as of January 1, 2019 served more than 300,000 retail customers in this State shall purchase renewable energy credits from new renewable energy facilities constructed at or adjacent to the sites of coal-fueled electric generating facilities in this State in accordance with subsection (c-5) of Section 1-75 of the Illinois Power Agency Act. Except as expressly provided in this Section, the plans and procedures for such procurements shall not be included in the procurement plans provided for in this Section, but rather shall be conducted and implemented solely in accordance with subsection (c-5) of Section 1-75 of the Illinois Power Agency Act.

(c) The provisions of this subsection (c) shall not apply to procurements conducted pursuant to subsection (c-5) of Section 1-75 of the Illinois Power Agency Act. However, the

Agency may retain a procurement administrator to assist the Agency in planning and carrying out the procurement events and implementing the other requirements specified in such subsection (c-5) of Section 1-75 of the Illinois Power Agency Act, with the costs incurred by the Agency for the procurement administrator to be recovered through fees charged to applicants for selection to sell and deliver renewable energy credits to electric utilities pursuant to subsection (c-5) of Section 1-75 of the Illinois Power Agency Act. The procurement process set forth in Section 1-75 of the Illinois Power Agency Act and subsection (e) of this Section shall be administered by a procurement administrator and monitored by a procurement monitor.

(1) The procurement administrator shall:

(i) design the final procurement process in accordance with Section 1-75 of the Illinois Power Agency Act and subsection (e) of this Section following Commission approval of the procurement plan;

(ii) develop benchmarks in accordance with subsection (e)(3) to be used to evaluate bids; these benchmarks shall be submitted to the Commission for review and approval on a confidential basis prior to the procurement event;

(iii) serve as the interface between the electric utility and suppliers;

(iv) manage the bidder pre-qualification and

registration process;

(v) obtain the electric utilities' agreement to the final form of all supply contracts and credit collateral agreements;

(vi) administer the request for proposals process;

(vii) have the discretion to negotiate to determine whether bidders are willing to lower the price of bids that meet the benchmarks approved by the Commission; any post-bid negotiations with bidders shall be limited to price only and shall be completed within 24 hours after opening the sealed bids and shall be conducted in a fair and unbiased manner; in conducting the negotiations, there shall be no disclosure of any information derived from proposals submitted by competing bidders; if information is disclosed to any bidder, it shall be provided to all competing bidders;

(viii) maintain confidentiality of supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs;

(ix) submit a confidential report to the Commission recommending acceptance or rejection of bids;

(x) notify the utility of contract counterparties and contract specifics; and

(xi) administer related contingency procurement

events.

(2) The procurement monitor, who shall be retained by the Commission, shall:

(i) monitor interactions among the procurement administrator, suppliers, and utility;

(ii) monitor and report to the Commission on the progress of the procurement process;

(iii) provide an independent confidential report to the Commission regarding the results of the procurement event;

(iv) assess compliance with the procurement plans approved by the Commission for each utility that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois and for each small multi-jurisdictional utility that on December 31, 2005 served less than 100,000 customers in Illinois;

(v) preserve the confidentiality of supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs;

(vi) provide expert advice to the Commission and consult with the procurement administrator regarding issues related to procurement process design, rules, protocols, and policy-related matters; and

(vii) consult with the procurement administrator regarding the development and use of benchmark criteria, standard form contracts, credit policies,

and bid documents.

(d) Except as provided in subsection (j), the planning process shall be conducted as follows:

(1) Beginning in 2008, each Illinois utility procuring power pursuant to this Section shall annually provide a range of load forecasts to the Illinois Power Agency by July 15 of each year, or such other date as may be required by the Commission or Agency. The load forecasts shall cover the 5-year procurement planning period for the next procurement plan and shall include hourly data representing a high-load, low-load, and expected-load scenario for the load of those retail customers included in the plan's electric supply service requirements. The utility shall provide supporting data and assumptions for each of the scenarios.

(2) Beginning in 2008, the Illinois Power Agency shall prepare a procurement plan by August 15th of each year, or such other date as may be required by the Commission. The procurement plan shall identify the portfolio of demand-response and power and energy products to be procured. Cost-effective demand-response measures shall be procured as set forth in item (iii) of subsection (b) of this Section. Copies of the procurement plan shall be posted and made publicly available on the Agency's and Commission's websites, and copies shall also be provided to each affected electric utility. An affected utility

shall have 30 days following the date of posting to provide comment to the Agency on the procurement plan. Other interested entities also may comment on the procurement plan. All comments submitted to the Agency shall be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the procurement plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Agency's and Commission's websites. During this 30-day comment period, the Agency shall hold at least one public hearing within each utility's service area for the purpose of receiving public comment on the procurement plan. Within 14 days following the end of the 30-day review period, the Agency shall revise the procurement plan as necessary based on the comments received and file the procurement plan with the Commission and post the procurement plan on the websites.

(3) Within 5 days after the filing of the procurement plan, any person objecting to the procurement plan shall file an objection with the Commission. Within 10 days after the filing, the Commission shall determine whether a hearing is necessary. The Commission shall enter its order confirming or modifying the procurement plan within 90 days after the filing of the procurement plan by the Illinois Power Agency.

(4) The Commission shall approve the procurement plan,

including expressly the forecast used in the procurement plan, if the Commission determines that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability.

(4.5) The Commission shall review the Agency's recommendations for the selection of applicants to enter into long-term contracts for the sale and delivery of renewable energy credits from new renewable energy facilities to be constructed at or adjacent to the sites of coal-fueled electric generating facilities in this State in accordance with the provisions of subsection (c-5) of Section 1-75 of the Illinois Power Agency Act, and shall approve the Agency's recommendations if the Commission determines that the applicants recommended by the Agency for selection, the proposed new renewable energy facilities to be constructed, the amounts of renewable energy credits to be delivered pursuant to the contracts, and the other terms of the contracts, are consistent with the requirements of subsection (c-5) of Section 1-75 of the Illinois Power Agency Act.

(e) The procurement process shall include each of the following components:

(1) Solicitation, pre-qualification, and registration of bidders. The procurement administrator shall

disseminate information to potential bidders to promote a procurement event, notify potential bidders that the procurement administrator may enter into a post-bid price negotiation with bidders that meet the applicable benchmarks, provide supply requirements, and otherwise explain the competitive procurement process. In addition to such other publication as the procurement administrator determines is appropriate, this information shall be posted on the Illinois Power Agency's and the Commission's websites. The procurement administrator shall also administer the prequalification process, including evaluation of credit worthiness, compliance with procurement rules, and agreement to the standard form contract developed pursuant to paragraph (2) of this subsection (e). The procurement administrator shall then identify and register bidders to participate in the procurement event.

(2) Standard contract forms and credit terms and instruments. The procurement administrator, in consultation with the utilities, the Commission, and other interested parties and subject to Commission oversight, shall develop and provide standard contract forms for the supplier contracts that meet generally accepted industry practices. Standard credit terms and instruments that meet generally accepted industry practices shall be similarly developed. The procurement administrator shall make

available to the Commission all written comments it receives on the contract forms, credit terms, or instruments. If the procurement administrator cannot reach agreement with the applicable electric utility as to the contract terms and conditions, the procurement administrator must notify the Commission of any disputed terms and the Commission shall resolve the dispute. The terms of the contracts shall not be subject to negotiation by winning bidders, and the bidders must agree to the terms of the contract in advance so that winning bids are selected solely on the basis of price.

(3) Establishment of a market-based price benchmark. As part of the development of the procurement process, the procurement administrator, in consultation with the Commission staff, Agency staff, and the procurement monitor, shall establish benchmarks for evaluating the final prices in the contracts for each of the products that will be procured through the procurement process. The benchmarks shall be based on price data for similar products for the same delivery period and same delivery hub, or other delivery hubs after adjusting for that difference. The price benchmarks may also be adjusted to take into account differences between the information reflected in the underlying data sources and the specific products and procurement process being used to procure power for the Illinois utilities. The benchmarks shall be

confidential but shall be provided to, and will be subject to Commission review and approval, prior to a procurement event.

(4) Request for proposals competitive procurement process. The procurement administrator shall design and issue a request for proposals to supply electricity in accordance with each utility's procurement plan, as approved by the Commission. The request for proposals shall set forth a procedure for sealed, binding commitment bidding with pay-as-bid settlement, and provision for selection of bids on the basis of price.

(5) A plan for implementing contingencies in the event of supplier default or failure of the procurement process to fully meet the expected load requirement due to insufficient supplier participation, Commission rejection of results, or any other cause.

(i) Event of supplier default: In the event of supplier default, the utility shall review the contract of the defaulting supplier to determine if the amount of supply is 200 megawatts or greater, and if there are more than 60 days remaining of the contract term. If both of these conditions are met, and the default results in termination of the contract, the utility shall immediately notify the Illinois Power Agency that a request for proposals must be issued to procure replacement power, and the

procurement administrator shall run an additional procurement event. If the contracted supply of the defaulting supplier is less than 200 megawatts or there are less than 60 days remaining of the contract term, the utility shall procure power and energy from the applicable regional transmission organization market, including ancillary services, capacity, and day-ahead or real time energy, or both, for the duration of the contract term to replace the contracted supply; provided, however, that if a needed product is not available through the regional transmission organization market it shall be purchased from the wholesale market.

(ii) Failure of the procurement process to fully meet the expected load requirement: If the procurement process fails to fully meet the expected load requirement due to insufficient supplier participation or due to a Commission rejection of the procurement results, the procurement administrator, the procurement monitor, and the Commission staff shall meet within 10 days to analyze potential causes of low supplier interest or causes for the Commission decision. If changes are identified that would likely result in increased supplier participation, or that would address concerns causing the Commission to reject the results of the prior procurement event, the

procurement administrator may implement those changes and rerun the request for proposals process according to a schedule determined by those parties and consistent with Section 1-75 of the Illinois Power Agency Act and this subsection. In any event, a new request for proposals process shall be implemented by the procurement administrator within 90 days after the determination that the procurement process has failed to fully meet the expected load requirement.

(iii) In all cases where there is insufficient supply provided under contracts awarded through the procurement process to fully meet the electric utility's load requirement, the utility shall meet the load requirement by procuring power and energy from the applicable regional transmission organization market, including ancillary services, capacity, and day-ahead or real time energy, or both; provided, however, that if a needed product is not available through the regional transmission organization market it shall be purchased from the wholesale market.

(6) The procurement processes ~~process~~ described in this subsection and in subsection (c-5) of Section 1-75 of the Illinois Power Agency Act are ~~is~~ exempt from the requirements of the Illinois Procurement Code, pursuant to Section 20-10 of that Code.

(f) Within 2 business days after opening the sealed bids,

the procurement administrator shall submit a confidential report to the Commission. The report shall contain the results of the bidding for each of the products along with the procurement administrator's recommendation for the acceptance and rejection of bids based on the price benchmark criteria and other factors observed in the process. The procurement monitor also shall submit a confidential report to the Commission within 2 business days after opening the sealed bids. The report shall contain the procurement monitor's assessment of bidder behavior in the process as well as an assessment of the procurement administrator's compliance with the procurement process and rules. The Commission shall review the confidential reports submitted by the procurement administrator and procurement monitor, and shall accept or reject the recommendations of the procurement administrator within 2 business days after receipt of the reports.

(g) Within 3 business days after the Commission decision approving the results of a procurement event, the utility shall enter into binding contractual arrangements with the winning suppliers using the standard form contracts; except that the utility shall not be required either directly or indirectly to execute the contracts if a tariff that is consistent with subsection (l) of this Section has not been approved and placed into effect for that utility.

(h) <u>For the procurement of standard wholesale products, the names of the successful bidders and the load weighted</u>

average of the winning bid prices for each contract type and for each contract term shall be made available to the public at the time of Commission approval of a procurement event. For procurements conducted to meet the requirements of subsection (b) of Section 1-56 or subsection (c) of Section 1-75 of the Illinois Power Agency Act governed by the provisions of this Section, the address and nameplate capacity of the new renewable energy generating facility proposed by a winning bidder shall also be made available to the public at the time of Commission approval of a procurement event, along with the business address and contact information for any winning bidder. An estimate or approximation of the nameplate capacity of the new renewable energy generating facility may be disclosed if necessary to protect the confidentiality of individual bid prices.

The Commission, the procurement monitor, the procurement administrator, the Illinois Power Agency, and all participants in the procurement process shall maintain the confidentiality of all other supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs. Confidential information, including the confidential reports submitted by the procurement administrator and procurement monitor pursuant to subsection (f) of this Section, shall not be made publicly available and shall not be discoverable by any party in any proceeding, absent a compelling demonstration of need, nor shall those reports be

admissible in any proceeding other than one for law enforcement purposes. ~~The names of the successful bidders and the load weighted average of the winning bid prices for each contract type and for each contract term shall be made available to the public at the time of Commission approval of a procurement event. The Commission, the procurement monitor, the procurement administrator, the Illinois Power Agency, and all participants in the procurement process shall maintain the confidentiality of all other supplier and bidding information in a manner consistent with all applicable laws, rules, regulations, and tariffs. Confidential information, including the confidential reports submitted by the procurement administrator and procurement monitor pursuant to subsection (f) of this Section, shall not be made publicly available and shall not be discoverable by any party in any proceeding, absent a compelling demonstration of need, nor shall those reports be admissible in any proceeding other than one for law enforcement purposes.~~

(i) Within 2 business days after a Commission decision approving the results of a procurement event or such other date as may be required by the Commission from time to time, the utility shall file for informational purposes with the Commission its actual or estimated retail supply charges, as applicable, by customer supply group reflecting the costs associated with the procurement and computed in accordance with the tariffs filed pursuant to subsection (l) of this

Section and approved by the Commission.

(j) Within 60 days following August 28, 2007 (the effective date of Public Act 95-481), each electric utility that on December 31, 2005 provided electric service to at least 100,000 customers in Illinois shall prepare and file with the Commission an initial procurement plan, which shall conform in all material respects to the requirements of the procurement plan set forth in subsection (b); provided, however, that the Illinois Power Agency Act shall not apply to the initial procurement plan prepared pursuant to this subsection. The initial procurement plan shall identify the portfolio of power and energy products to be procured and delivered for the period June 2008 through May 2009, and shall identify the proposed procurement administrator, who shall have the same experience and expertise as is required of a procurement administrator hired pursuant to Section 1-75 of the Illinois Power Agency Act. Copies of the procurement plan shall be posted and made publicly available on the Commission's website. The initial procurement plan may include contracts for renewable resources that extend beyond May 2009.

(i) Within 14 days following filing of the initial procurement plan, any person may file a detailed objection with the Commission contesting the procurement plan submitted by the electric utility. All objections to the electric utility's plan shall be specific, supported by data or other detailed analyses. The electric utility may

file a response to any objections to its procurement plan within 7 days after the date objections are due to be filed. Within 7 days after the date the utility's response is due, the Commission shall determine whether a hearing is necessary. If it determines that a hearing is necessary, it shall require the hearing to be completed and issue an order on the procurement plan within 60 days after the filing of the procurement plan by the electric utility.

(ii) The order shall approve or modify the procurement plan, approve an independent procurement administrator, and approve or modify the electric utility's tariffs that are proposed with the initial procurement plan. The Commission shall approve the procurement plan if the Commission determines that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account any benefits of price stability.

(k) (Blank).

(k-5) (Blank).

(l) An electric utility shall recover its costs incurred under this Section and subsection (c-5) of Section 1-75 of the Illinois Power Agency Act, including, but not limited to, the costs of procuring power and energy demand-response resources under this Section and its costs for purchasing renewable energy credits pursuant to subsection (c-5) of Section 1-75 of

the Illinois Power Agency Act. The utility shall file with the initial procurement plan its proposed tariffs through which its costs of procuring power that are incurred pursuant to a Commission-approved procurement plan and those other costs identified in this subsection (l), will be recovered. The tariffs shall include a formula rate or charge designed to pass through both the costs incurred by the utility in procuring a supply of electric power and energy for the applicable customer classes with no mark-up or return on the price paid by the utility for that supply, plus any just and reasonable costs that the utility incurs in arranging and providing for the supply of electric power and energy. The formula rate or charge shall also contain provisions that ensure that its application does not result in over or under recovery due to changes in customer usage and demand patterns, and that provide for the correction, on at least an annual basis, of any accounting errors that may occur. A utility shall recover through the tariff all reasonable costs incurred to implement or comply with any procurement plan that is developed and put into effect pursuant to Section 1-75 of the Illinois Power Agency Act and this Section, and for the procurement of renewable energy credits pursuant to subsection (c-5) of Section 1-75 of the Illinois Power Agency Act, including any fees assessed by the Illinois Power Agency, costs associated with load balancing, and contingency plan costs. The electric utility shall also recover its full costs

of procuring electric supply for which it contracted before the effective date of this Section in conjunction with the provision of full requirements service under fixed-price bundled service tariffs subsequent to December 31, 2006. All such costs shall be deemed to have been prudently incurred. The pass-through tariffs that are filed and approved pursuant to this Section shall not be subject to review under, or in any way limited by, Section 16-111(i) of this Act. All of the costs incurred by the electric utility associated with the purchase of zero emission credits in accordance with subsection (d-5) of Section 1-75 of the Illinois Power Agency Act, all costs incurred by the electric utility associated with the purchase of carbon mitigation credits in accordance with subsection (d-10) of Section 1-75 of the Illinois Power Agency Act, and, beginning June 1, 2017, all of the costs incurred by the electric utility associated with the purchase of renewable energy resources in accordance with Sections 1-56 and 1-75 of the Illinois Power Agency Act, and all of the costs incurred by the electric utility in purchasing renewable energy credits in accordance with subsection (c-5) of Section 1-75 of the Illinois Power Agency Act, shall be recovered through the electric utility's tariffed charges applicable to all of its retail customers, as specified in subsection (k) or subsection (i-5), as applicable, of Section 16-108 of this Act, and shall not be recovered through the electric utility's tariffed charges for electric power and energy supply to its eligible

retail customers.

(m) The Commission has the authority to adopt rules to carry out the provisions of this Section. For the public interest, safety, and welfare, the Commission also has authority to adopt rules to carry out the provisions of this Section on an emergency basis immediately following August 28, 2007 (the effective date of Public Act 95-481).

(n) Notwithstanding any other provision of this Act, any affiliated electric utilities that submit a single procurement plan covering their combined needs may procure for those combined needs in conjunction with that plan, and may enter jointly into power supply contracts, purchases, and other procurement arrangements, and allocate capacity and energy and cost responsibility therefor among themselves in proportion to their requirements.

(o) On or before June 1 of each year, the Commission shall hold an informal hearing for the purpose of receiving comments on the prior year's procurement process and any recommendations for change.

(p) An electric utility subject to this Section may propose to invest, lease, own, or operate an electric generation facility as part of its procurement plan, provided the utility demonstrates that such facility is the least-cost option to provide electric service to those retail customers included in the plan's electric supply service requirements. If the facility is shown to be the least-cost option and is

included in a procurement plan prepared in accordance with Section 1-75 of the Illinois Power Agency Act and this Section, then the electric utility shall make a filing pursuant to Section 8-406 of this Act, and may request of the Commission any statutory relief required thereunder. If the Commission grants all of the necessary approvals for the proposed facility, such supply shall thereafter be considered as a pre-existing contract under subsection (b) of this Section. The Commission shall in any order approving a proposal under this subsection specify how the utility will recover the prudently incurred costs of investing in, leasing, owning, or operating such generation facility through just and reasonable rates charged to those retail customers included in the plan's electric supply service requirements. Cost recovery for facilities included in the utility's procurement plan pursuant to this subsection shall not be subject to review under or in any way limited by the provisions of Section 16-111(i) of this Act. Nothing in this Section is intended to prohibit a utility from filing for a fuel adjustment clause as is otherwise permitted under Section 9-220 of this Act.

(q) If the Illinois Power Agency filed with the Commission, under Section 16-111.5 of this Act, its proposed procurement plan for the period commencing June 1, 2017, and the Commission has not yet entered its final order approving the plan on or before the effective date of this amendatory Act of the 99th General Assembly, then the Illinois Power Agency

shall file a notice of withdrawal with the Commission, after the effective date of this amendatory Act of the 99th General Assembly, to withdraw the proposed procurement of renewable energy resources to be approved under the plan, other than the procurement of renewable energy credits from distributed renewable energy generation devices using funds previously collected from electric utilities' retail customers that take service pursuant to electric utilities' hourly pricing tariff or tariffs and, for an electric utility that serves less than 100,000 retail customers in the State, other than the procurement of renewable energy credits from distributed renewable energy generation devices. Upon receipt of the notice, the Commission shall enter an order that approves the withdrawal of the proposed procurement of renewable energy resources from the plan. The initially proposed procurement of renewable energy resources shall not be approved or be the subject of any further hearing, investigation, proceeding, or order of any kind.

This amendatory Act of the 99th General Assembly preempts and supersedes any order entered by the Commission that approved the Illinois Power Agency's procurement plan for the period commencing June 1, 2017, to the extent it is inconsistent with the provisions of this amendatory Act of the 99th General Assembly. To the extent any previously entered order approved the procurement of renewable energy resources, the portion of that order approving the procurement shall be

void, other than the procurement of renewable energy credits from distributed renewable energy generation devices using funds previously collected from electric utilities' retail customers that take service under electric utilities' hourly pricing tariff or tariffs and, for an electric utility that serves less than 100,000 retail customers in the State, other than the procurement of renewable energy credits for distributed renewable energy generation devices.

(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-111.10 new)

Sec. 16-111.10. Equitable Energy Upgrade Program.

(a) The General Assembly finds and declares that Illinois homes and businesses can contribute to the creation of a clean energy economy, conservation of natural resources, and reliability of the electricity grid through the installation of cost-effective renewable energy generation, energy efficiency and demand response equipment, and energy storage systems. Further, a large portion of Illinois residents and businesses that would benefit from the installation of energy efficiency, storage, and renewable energy generation systems are unable to purchase systems due to capital or credit barriers. This State should pursue options to enable many more Illinoisans to access the health, environmental, and financial benefits of new clean energy technology.

(b) As used in this Section:

"Commission" means the Illinois Commerce Commission.

"Energy project" means renewable energy generation systems, including solar projects, energy efficiency upgrades, energy storage systems, demand response equipment, or any combination thereof.

"Fund" means the Clean Energy Jobs and Justice Fund established in the Clean Energy Jobs and Justice Fund Act.

"Program" means the Equitable Energy Upgrade Program established under subsection (c).

"Utility" means electric public utilities providing services to 500,000 or more customers under this Act.

(c) The Commission shall open an investigation into and direct all electric public utilities in this State to adopt an Equitable Energy Upgrade Program that permits customers to finance the construction of energy projects through an optional tariff payable directly through their utility bill, modeled after the Pay As You Save system, developed by the Energy Efficiency Institute. The Program model shall enable utilities to offer to make investments in energy projects to customer properties with low-cost capital and use an opt-in tariff to recover the costs. The Program shall be designed to provide customers with immediate financial savings if they choose to participate. The Program shall allow residential electric utility customers that own the property, or renters that have permission of the property owner, for which they subscribe to utility service to agree to the installation of

an energy project. The Program shall ensure:

(1) eligible projects do not require upfront payments; however, customers may pay down the costs for projects with a payment to the installing contractor in order to qualify projects that would otherwise require upfront payments;

(2) eligible projects have sufficient estimated savings and estimated life span to produce significant, immediate net savings;

(3) participants shall agree the utility can recover its costs for the projects at their location by paying for the project through an optional tariff directly through the participant's electricity bill, allowing participants to benefit from installation of energy projects without traditional loans;

(4) accessibility by lower-income residents and environmental justice community residents; and

(5) the utility must ensure that customers who are interested in participating are notified that if they are income qualified, they may also be eligible for the Percentage of Income Payment Plan program and free energy improvements through other programs and provide contact information.

(d) The Commission shall establish Program guidelines with the anticipated schedule of Program availability as follows:

(1) Year 1: Beginning in the first year of operation,

each utility with greater than 100,000 retail customers is required to obtain low-cost capital of at least $20,000,000 annually for investments in energy projects.

(2) Year 2: Beginning in the second year of operation, each utility with greater than 100,000 retail customers is required to obtain low-cost capital for investments in energy projects of at least $40,000,000 annually.

(3) Year 3: Beginning in the third year of operation, each utility with greater than 100,000 retail customers is required to obtain low-cost capital for investments in as many systems as customers demand, subject to available capital provided by the utility, State, or other lenders.

(e) In the design of the Program, the Commission shall:

(1) Within 270 days after the effective date of this amendatory Act of the 102nd General Assembly, convene a workshop during which interested participants may discuss issues and submit comments related to the Program.

(2) Establish Program guidelines for implementation of the Program in accordance with the Pay As You Save Essential Elements and Minimum Program Requirements that electric utilities must abide by when implementing the Program. Program guidelines established by the Commission shall include the following elements:

(A) The Commission shall establish conditions under which utilities secure capital to fund the energy projects. The Commission may allow utilities to

raise capital independently, work with third-party lenders to secure the capital for participants, or a combination thereof. Any process the Commission approves must use a market mechanism to identify the least costly sources of capital funds so as to pass on maximum savings to participants. The State or the Clean Energy Jobs and Justice Fund may also provide capital for the Program.

(B) Customer protection guidelines should be designed consistent with Pay As You Save Essential Elements and Minimum Program Requirements.

(C) The Commission shall establish conditions by which utilities may connect Program participants to energy project vendors. In setting conditions for connection, the Commission may prioritize vendors that have a history of good relations with the State, including vendors that have hired participants from State-created job training programs.

(D) Guarantee that conservative estimates of financial savings will immediately and significantly exceed Program costs for Program participants.

(f) Within 120 days after the Commission releases the Program conditions established under this Section, each utility subject to the requirements of this Section shall submit an informational filing to the Commission that describes its plan for implementing the provisions of this

Section. If the Commission finds that the submission does not properly comply with the statutory or regulatory requirements of the Program, the Commission may require that the utility make modifications to its filing.

(g) An independent process evaluation shall be conducted after one year of the Program's operation. An independent impact evaluation shall be conducted after 3 years of operation, excluding one-time startup costs and results from the first 12 months of the Program. The Commission shall convene an advisory council of stakeholders, including representation of low-income and environmental justice community members to make recommendations in response to the findings of the independent evaluation.

(h) The Program shall be designed using the Pay As You Save system guidelines to be cost-effective for customers. Only projects that are deemed to be cost-effective and can be reasonably expected to ensure customer savings are eligible for funding through the Program, unless, as specified in paragraph (1) of subsection (c), customers able to make upfront copayments to installers buy down the cost of projects so it can be deemed cost-effective.

(i) Eligible customers must be:

(1) property renters with permission of the property owner; or

(2) property owners.

(j) The calculation of project cost-effectiveness shall be

based upon the Pay As You Save system requirements.

(1) The calculation of cost-effectiveness must be conducted by an objective process approved by the Commission and based on rates in effect at the time of installation.

(2) A project shall be considered cost-effective only if it is estimated to produce significant immediate net savings, not counting copayments voluntarily made by customers. The Commission may establish guidelines by which this required savings is estimated.

(k) The Program should be modeled after the Pay As You Save system, by which Program participants finance energy projects using the savings that the energy project creates with a tariffed on-bill program. Eligible projects shall not create personal debt for the customer, result in a lien in the event of nonpayment, or require customers to pay monthly charges for any upgrade that fails and is not repaired within 21 days. The utility may restart charges once the upgrade is repaired and functioning and extend the term of payments to recover its costs for missed payments and deferred cost recovery, providing the upgrade continues to function.

(l) Any energy project that is defective or damaged due to no fault of the participant must be either replaced or repaired with parts that meet industry standards at the cost of the utility or vendor, as specified by the Commission, and charges shall be suspended until repairs or replacement is

completed. The Commission may establish, increase, or replace the requirements imposed in this subsection. The Commission may determine that this responsibility is best handled by participating project vendors in the form of insurance, contractual guarantees, or other mechanisms, and issue rules detailing this requirement. Customers shall not be charged monthly payments for upgrades that are no longer functioning.

(m) In the event of nonpayment, the remaining balance due to pay off the system shall remain with the utility meter at an upgraded location. The Commission shall establish conditions subject to this constraint in the event of nonpayment that are in accordance with the Pay As You Save system.

(n) If the demand by utility customers exceeds the Program capital supply in a given year, utilities shall ensure that 50% of participants are:

(1) customers in neighborhoods where a majority of households make 150% or less of area median income; or

(2) residents of environmental justice communities.

(o) Utilities shall endeavor to inform customers about the availability of the Program, their potential eligibility for participation in the Program, and whether they are likely to save money on the basis of an estimate conducted using variables consistent with the Program that the utility has at its disposal. The Commission may establish guidelines by which utilities must abide by this directive and alternatives if the Commission deems utilities' efforts as inadequate.

(p) Subject to Commission specifications under subsection (c), each utility shall work with certified project vendors selected using a request for proposals process to establish the terms and processes under which a utility can install eligible renewable energy generation and energy storage systems using the capital to fit the Equitable Energy Upgrade model. The certified project vendor shall explain and offer the approved upgrades to customers and shall assist customers in applying for financing through the Program. As part of the process, vendors shall also provide participants with information about any other relevant incentives that may be available.

(q) An electric utility shall recover all of the prudently incurred costs of offering a program approved by the Commission under this Section. For investor-owned utilities, shareholder incentives will be proportional to meeting Commission approved thresholds for the number of customers served and the amount of its investments in those locations.

(r) The Commission shall adopt all rules necessary for the administration of this Section.

(220 ILCS 5/16-127)

Sec. 16-127. Environmental disclosure.

(a) Every ~~Effective January 1, 2013, every~~ electric utility and alternative retail electric supplier shall provide the following information, to the maximum extent practicable,

to its customers on a quarterly basis:

(i) the known sources of electricity supplied, broken-out by percentages, of biomass power, coal-fired power, hydro power, natural gas-fired power, nuclear power, oil-fired power, solar power, wind power and other resources, respectively;

(ii) a pie chart that graphically depicts the percentages of the sources of the electricity supplied as set forth in subparagraph (i) of this subsection;

(iii) a pie chart that graphically depicts the quantity of renewable energy resources procured pursuant to Section 1-75 of the Illinois Power Agency Act as a percentage of electricity supplied to serve eligible retail customers as defined in Section 16-111.5(a) of this Act; and

(iv) ~~after May, 31, 2017,~~ a pie chart that graphically depicts the quantity of zero emission credits from zero emission facilities procured under Section 1-75 of the Illinois Power Agency Act as a percentage of the actual load of retail customers within its service area and, for an electric utility serving over 3,000,000 customers, the quantity of carbon mitigation credits from carbon-free energy resources procured under Section 1-75 of the Illinois Power Agency Act, which may be depicted in combination with the zero emission credits procured.

(b) In addition, every electric utility and alternative

retail electric supplier shall provide, to the maximum extent practicable, to its customers on a quarterly basis, a standardized chart in a format to be determined by the Commission in a rule following notice and hearings which provides the amounts of carbon dioxide, nitrogen oxides and sulfur dioxide emissions and nuclear waste attributable to the known sources of electricity supplied as set forth in subparagraph (i) of subsection (a) of this Section.

(c) The electric utilities and alternative retail electric suppliers may provide their customers with such other information as they believe relevant to the information required in subsections (a) and (b) of this Section. All of the information required in subsections (a) and (b) of this Section shall be made available by the electric utilities or alternative retail electric suppliers either in an electronic medium, such as on a website or by electronic mail, or through the U.S. Postal Service.

(d) For the purposes of subsection (a) of this Section, "biomass" means dedicated crops grown for energy production and organic wastes.

(e) All of the information provided in subsections (a) and (b) of this Section shall be presented to the Commission for inclusion in its World Wide Web Site.

(Source: P.A. 99-906, eff. 6-1-17.)

(220 ILCS 5/16-135 new)

Sec. 16-135. Energy Storage Program.

(a) The Illinois General Assembly hereby finds and declares that:

(1) Energy storage systems provide opportunities to:

(A) reduce costs to ratepayers directly or indirectly by avoiding or deferring the need for investment in new generation and for upgrades to systems for the transmission and distribution of electricity;

(B) reduce the use of fossil fuels for meeting demand during peak load periods;

(C) provide ancillary services such as frequency response, load following, and voltage support;

(D) assist electric utilities with integrating sources of renewable energy into the grid for the transmission and distribution of electricity, and with maintaining grid stability;

(E) support diversification of energy resources;

(F) enhance the resilience and reliability of the electric grid; and

(G) reduce greenhouse gas emissions and other air pollutants resulting from power generation, thereby minimizing public health impacts that result from power generation.

(2) There are significant barriers to obtaining the benefits of energy storage systems, including inadequate

valuation of the services that energy storage can provide to the grid and the public.

(3) It is in the public interest to:

(A) develop a robust competitive market for existing and new providers of energy storage systems in order to leverage Illinois' position as a leader in advanced energy and to capture the potential for economic development;

(B) implement targets and programs to achieve deployment of energy storage systems; and

(C) modernize distributed energy resource programs and interconnection standards to lower costs and efficiently deploy energy storage systems in order to increase economic development and job creation within the state's clean energy economy.

(b) In this Section:

"Energy storage peak standard" means a percentage of annual retail electricity sales during peak hours that an electric utility must derive from electricity discharged from eligible energy storage systems.

"Deployment" means the installation of energy storage systems through a variety of mechanisms, including utility procurement, customer installation, or other processes.

"Electric utility" has the same meaning as provided in Section 16-102 of this Act.

"Energy storage system" means a technology that is capable

of absorbing zero-carbon energy, storing it for a period of time, and redelivering that energy after it has been stored in order to provide direct or indirect benefits to the broader electricity system. The term includes, but is not limited to, electrochemical, thermal, and electromechanical technologies.

"Nonwires alternatives solicitation" means a utility solicitation for third-party-owned or utility-owned distributed energy resources that uses nontraditional solutions to defer or replace planned investment on the distribution or transmission system.

"Total peak demand" means the highest hourly electricity demand for an electric utility in a given year, measured in megawatts, from all of the electric utility's customers of distribution service.

(c) The Commission, in consultation with the Illinois Power Agency, shall initiate a proceeding to examine specific programs, mechanisms, and policies that could support the deployment of energy storage systems. The Illinois Commerce Commission shall engage a broad group of Illinois stakeholders, including electric utilities, the energy storage industry, the renewable energy industry, and others to inform the proceeding. The proceeding must, at minimum:

(1) develop a framework to identify and measure the potential costs, benefits, that deployment of energy storage could produce, as well as barriers to realizing such benefits, including, but not limited to:

(A) avoided cost and deferred investments in generation, transmission, and distribution facilities;

(B) reduced ancillary services costs;

(C) reduced transmission and distribution congestion;

(D) lower peak power costs and reduced capacity costs;

(E) reduced costs for emergency power supplies during outages;

(F) reduced curtailment of renewable energy generators;

(G) reduced greenhouse gas emissions and other criteria air pollutants;

(H) increased grid hosting capacity of renewable energy generators that produce energy on an intermittent basis;

(I) increased reliability and resilience of the electric grid;

(J) reduced line losses;

(K) increased resource diversification;

(L) increased economic development;

(2) analyze and estimate:

(A) the impact on the system's ability to integrate renewable resources;

(B) the benefits of addition of storage at specific locations, such as at existing peaking units

or locations on the grid close to large load centers;

(C) the impact on grid reliability and power quality; and

(D) the effect on retail electric rates and supply rates over the useful life of a given energy storage system; and

(3) Evaluate and identify cost-effective policies and programs to support the deployment of energy storage systems, including, but not limited to:

(A) incentive programs;

(B) energy storage peak standards;

(C) nonwires alternative solicitation;

(D) peak demand reduction programs for behind-the-meter storage for all customer classes;

(E) value of distributed energy resources programs;

(F) tax incentives;

(G) time-varying rates;

(H) updating of interconnection processes and metering standards; and

(I) procurement by the Illinois Power Agency of energy storage resources.

(d) The Commission shall, no later than May 31, 2022, submit to the General Assembly and the Governor any recommendations for additional legislative, regulatory, or executive actions based on the findings of the proceeding.

(e) At the conclusion of the proceeding required under subsection (c), the Commission shall consider and recommend to the Governor and General Assembly energy storage deployment targets, if any, for each electric utility that serves more than 200,000 customers to be achieved by December 31, 2032, including recommended interim targets.

(f) In setting recommendations for energy storage deployment targets, the Commission shall:

(1) take into account the costs and benefits of procuring energy storage according to the framework developed in the proceeding under subsection (c);

(2) consider establishing specific subcategories of deployment of systems by point of interconnection or application.

(220 ILCS 5/17-900 new)

Sec. 17-900. Customer self-generation of electricity.

(a) The General Assembly finds and declares that municipal systems and electric cooperatives shall continue to be governed by their respective governing bodies, but that such governing bodies should recognize and implement policies to provide the opportunity for their residential and small commercial customers who wish to self-generate electricity and for reasonable credits to customers for excess electricity, balanced against the rights of the other non-self-generating customers. This includes creating consistent, fair policies

that are accessible to all customers and transparent, fair processes for raising and addressing any concerns.

(b) Customers have the right to install renewable generating facilities to be located on the customer's premises or customer's side of the billing meter and that are intended primarily to offset the customer's own electrical requirements and produce, consume, and store their own renewable energy without discriminatory repercussions from an electric cooperative or municipal system. This includes a customer's rights to:

(1) generate, consume, and deliver excess renewable energy to the distribution grid and reduce his or her use of electricity obtained from the grid;

(2) use technology to store energy at his or her residence;

(3) interconnect his or her electrical system that generates renewable energy, stores energy, or any combination thereof, with the electricity meter on the customer's premises that is provided by an electric cooperative or municipal system:

(A) in a timely manner;

(B) in accordance with requirements established by the electric cooperative or municipal utility to ensure the safety of utility workers; and

(C) after providing written notice to the electric cooperative or municipal utility system providing

service in the service territory, installing a nomenclature plate on the electrical meter panel and meeting all applicable State and local safety and electrical code requirements associated with installing a parallel distributed generation system; and

(4) receive fair credit for excess energy delivered to the distribution grid.

(c) The policies of municipal systems and electric cooperatives regarding self-generation and credits for excess electricity may reasonably differ from those required of other entities by Article XVI of the Public Utilities Act or other Acts. The credits must recognize the value of self-generation to the distribution grid and benefits to other customers.

(d) Within 180 days after this amendatory Act of the 102nd General Assembly, each electric cooperative and municipal system shall update its policies for the interconnection and fair crediting of customer self-generation and storage if necessary, to comply with the standards of subsection (b) of this Section. Each electric cooperative and municipal system shall post its updated policies to a public-facing area of its website.

(e) An electric cooperative or municipal system customer who produces, consumes, and stores his or her own renewable energy shall not face discriminatory rate design, fees or charges, treatment, or excessive compliance requirements that

would unreasonably affect that customer's right to self-generate electricity as provided for in this Section.

(f) An electric cooperative or municipal utility system customer shall have a right to appeal any decision related to self-generation and storage that violates these rights to self-generation and non-discrimination pursuant to the provisions of this Section through a complaint under the Administrative Review Law or similar legal process.

Section 90-52. If and only if Senate Bill 2017 of the 102nd General Assembly becomes law in the form in which it passed both houses on June 1, 2021, then the Energy Assistance Act is amended by changing Sections 13 and 18 as follows:

(305 ILCS 20/13)

(Section scheduled to be repealed on January 1, 2025)

Sec. 13. Supplemental Low-Income Energy Assistance Fund.

(a) The Supplemental Low-Income Energy Assistance Fund is hereby created as a special fund in the State Treasury. ~~Notwithstanding any other law to the contrary, the Supplemental Low-Income Energy Assistance Fund is not subject to sweeps, administrative charge-backs, or any other fiscal or budgetary maneuver that would in any way transfer any amounts from the Supplemental Low-Income Energy Assistance Fund into any other fund of the State.~~ The Supplemental Low-Income Energy Assistance Fund is authorized to receive moneys from

voluntary donations from individuals, foundations, corporations, and other sources, moneys received pursuant to Section 17, and, by statutory deposit, the moneys collected pursuant to this Section. The Fund is also authorized to receive voluntary donations from individuals, foundations, corporations, and other sources. Subject to appropriation, the Department shall use moneys from the Supplemental Low-Income Energy Assistance Fund for payments to electric or gas public utilities, municipal electric or gas utilities, and electric cooperatives on behalf of their customers who are participants in the program authorized by Sections 4 and 18 of this Act, for the provision of weatherization services and for administration of the Supplemental Low-Income Energy Assistance Fund. All other deposits outside of the Energy Assistance Charge as set forth in subsection (b) are not subject to the percentage restrictions related to administrative and weatherization expenses provided in this subsection. The yearly expenditures for weatherization may not exceed 10% of the amount collected during the year pursuant to this Section, except when unspent funds from the Supplemental Low-Income Energy Assistance Fund are reallocated from a previous year; any unspent balance of the 10% weatherization allowance may be utilized for weatherization expenses in the year they are reallocated. The yearly administrative expenses of the Supplemental Low-Income Energy Assistance Fund may not exceed 13% of the amount collected during that year pursuant

to this Section, except when unspent funds from the Supplemental Low-Income Energy Assistance Fund are reallocated from a previous year; any unspent balance of the 13% administrative allowance may be utilized for administrative expenses in the year they are reallocated. Of the 13% administrative allowance, no less than 8% shall be provided to Local Administrative Agencies for administrative expenses.

(b) Notwithstanding the provisions of Section 16-111 of the Public Utilities Act but subject to subsection (k) of this Section, each public utility, electric cooperative, as defined in Section 3.4 of the Electric Supplier Act, and municipal utility, as referenced in Section 3-105 of the Public Utilities Act, that is engaged in the delivery of electricity or the distribution of natural gas within the State of Illinois shall, effective January 1, 2022 ~~2021~~, assess each of its customer accounts a monthly Energy Assistance Charge for the Supplemental Low-Income Energy Assistance Fund. The delivering public utility, municipal electric or gas utility, or electric or gas cooperative for a self-assessing purchaser remains subject to the collection of the fee imposed by this Section. The monthly charge shall be as follows:

(1) Base Energy Assistance Charge per month on each account for residential electrical service;

(2) Base Energy Assistance Charge per month on each account for residential gas service;

(3) Ten times the Base Energy Assistance Charge per

month on each account for non-residential electric service which had less than 10 megawatts of peak demand during the previous calendar year;

(4) Ten times the Base Energy Assistance Charge per month on each account for non-residential gas service which had distributed to it less than 4,000,000 therms of gas during the previous calendar year;

(5) Three hundred and seventy-five times the Base Energy Assistance Charge per month on each account for non-residential electric service which had 10 megawatts or greater of peak demand during the previous calendar year; and

(6) Three hundred and seventy-five times the Base Energy Assistance Charge per month on each account for ~~For~~ non-residential gas service which had 4,000,000 or more therms of gas distributed to it during the previous calendar year.

The Base Energy Assistance Charge shall be $0.48 per month for the calendar year beginning January 1, 2022 and shall increase by $0.16 per month for any calendar year, provided no less than 80% of the previous State fiscal year's available Supplemental Low-Income Energy Assistance Fund funding was exhausted. The maximum Base Energy Assistance Charge shall not exceed $0.96 per month for any calendar year.

The incremental change to such charges imposed by Public Act 99-933 and this amendatory Act of the 102nd General

Assembly shall not (i) be used for any purpose other than to directly assist customers and (ii) be applicable to utilities serving less than 100,000 ~~25,000~~ customers in Illinois on January 1, 2021. The incremental change to such charges imposed by this amendatory Act of the 102nd General Assembly are intended to increase utilization of the Percentage of Income Payment Plan (PIPP or PIP Plan) and shall be applied such that PIP Plan enrollment is at least doubled, as compared to 2020 enrollment, by 2024.

In addition, electric and gas utilities have committed, and shall contribute, a one-time payment of $22 million to the Fund, within 10 days after the effective date of the tariffs established pursuant to Sections 16-111.8 and 19-145 of the Public Utilities Act to be used for the Department's cost of implementing the programs described in Section 18 of this amendatory Act of the 96th General Assembly, the Arrearage Reduction Program described in Section 18, and the programs described in Section 8-105 of the Public Utilities Act. If a utility elects not to file a rider within 90 days after the effective date of this amendatory Act of the 96th General Assembly, then the contribution from such utility shall be made no later than February 1, 2010.

(c) For purposes of this Section:

(1) "residential electric service" means electric utility service for household purposes delivered to a dwelling of 2 or fewer units which is billed under a

residential rate, or electric utility service for household purposes delivered to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit;

(2) "residential gas service" means gas utility service for household purposes distributed to a dwelling of 2 or fewer units which is billed under a residential rate, or gas utility service for household purposes distributed to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit;

(3) "non-residential electric service" means electric utility service which is not residential electric service; and

(4) "non-residential gas service" means gas utility service which is not residential gas service.

(d) Within 30 days after the effective date of this amendatory Act of the 96th General Assembly, each public utility engaged in the delivery of electricity or the distribution of natural gas shall file with the Illinois Commerce Commission tariffs incorporating the Energy Assistance Charge in other charges stated in such tariffs, which shall become effective no later than the beginning of the first billing cycle following such filing.

(e) The Energy Assistance Charge assessed by electric and gas public utilities shall be considered a charge for public

utility service.

(f) By the 20th day of the month following the month in which the charges imposed by the Section were collected, each public utility, municipal utility, and electric cooperative shall remit to the Department of Revenue all moneys received as payment of the Energy Assistance Charge on a return prescribed and furnished by the Department of Revenue showing such information as the Department of Revenue may reasonably require; provided, however, that a utility offering an Arrearage Reduction Program or Supplemental Arrearage Reduction Program pursuant to Section 18 of this Act shall be entitled to net those amounts necessary to fund and recover the costs of such Programs as authorized by that Section that is no more than the incremental change in such Energy Assistance Charge authorized by Public Act 96-33. If a customer makes a partial payment, a public utility, municipal utility, or electric cooperative may elect either: (i) to apply such partial payments first to amounts owed to the utility or cooperative for its services and then to payment for the Energy Assistance Charge or (ii) to apply such partial payments on a pro-rata basis between amounts owed to the utility or cooperative for its services and to payment for the Energy Assistance Charge.

If any payment provided for in this Section exceeds the distributor's liabilities under this Act, as shown on an original return, the Department may authorize the distributor

to credit such excess payment against liability subsequently to be remitted to the Department under this Act, in accordance with reasonable rules adopted by the Department. If the Department subsequently determines that all or any part of the credit taken was not actually due to the distributor, the distributor's discount shall be reduced by an amount equal to the difference between the discount as applied to the credit taken and that actually due, and that distributor shall be liable for penalties and interest on such difference.

(g) The Department of Revenue shall deposit into the Supplemental Low-Income Energy Assistance Fund all moneys remitted to it in accordance with subsection (f) of this Section. The utilities shall coordinate with the Department to establish an equitable and practical methodology for implementing this subsection (g) beginning with the 2010 program year.

(h) On or before December 31, 2002, the Department shall prepare a report for the General Assembly on the expenditure of funds appropriated from the Low-Income Energy Assistance Block Grant Fund for the program authorized under Section 4 of this Act.

(i) The Department of Revenue may establish such rules as it deems necessary to implement this Section.

(j) The Department of Commerce and Economic Opportunity may establish such rules as it deems necessary to implement this Section.

(k) The charges imposed by this Section shall only apply to customers of municipal electric or gas utilities and electric or gas cooperatives if the municipal electric or gas utility or electric or gas cooperative makes an affirmative decision to impose the charge. If a municipal electric or gas utility or an electric cooperative makes an affirmative decision to impose the charge provided by this Section, the municipal electric or gas utility or electric cooperative shall inform the Department of Revenue in writing of such decision when it begins to impose the charge. If a municipal electric or gas utility or electric or gas cooperative does not assess this charge, the Department may not use funds from the Supplemental Low-Income Energy Assistance Fund to provide benefits to its customers under the program authorized by Section 4 of this Act.

In its use of federal funds under this Act, the Department may not cause a disproportionate share of those federal funds to benefit customers of systems which do not assess the charge provided by this Section.

This Section is repealed on January 1, 2025 unless renewed by action of the General Assembly.

(Source: P.A. 99-457, eff. 1-1-16; 99-906, eff. 6-1-17; 99-933, eff. 1-27-17; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 10200SB2017enr.)

(305 ILCS 20/18)

Sec. 18. Financial assistance; payment plans.

(a) The Percentage of Income Payment Plan (PIPP or PIP Plan) is hereby created as a mandatory bill payment assistance program for low-income residential customers of utilities serving more than 100,000 retail customers as of January 1, 2021 ~~2009~~. The PIP Plan will:

(1) bring participants' gas and electric bills into the range of affordability;

(2) provide incentives for participants to make timely payments;

(3) encourage participants to reduce usage and participate in conservation and energy efficiency measures that reduce the customer's bill and payment requirements; ~~and~~

(4) identify participants whose homes are most in need of weatherization; and ~~.~~

(5) endeavor to maximize participation and spend at least 80% of the funding available for the year.

(b) For purposes of this Section:

(1) "LIHEAP" means the energy assistance program established under the Illinois Energy Assistance Act and the Low-Income Home Energy Assistance Act of 1981.

(2) "Plan participant" is an eligible participant who is also eligible for the PIPP and who will receive either a percentage of income payment credit under the PIPP criteria set forth in this Act or a benefit pursuant to

Section 4 of this Act. Plan participants are a subset of eligible participants.

(3) "Pre-program arrears" means the amount a plan participant owes for gas or electric service at the time the participant is determined to be eligible for the PIPP or the program set forth in Section 4 of this Act.

(4) "Eligible participant" means any person who has applied for, been accepted and is receiving residential service from a gas or electric utility and who is also eligible for LIHEAP or otherwise satisfies the eligibility criteria set forth in paragraph (1) of subsection (c).

(c) The PIP Plan shall be administered as follows:

(1) The Department shall coordinate with Local Administrative Agencies (LAAs), to determine eligibility for the Illinois Low Income Home Energy Assistance Program (LIHEAP) pursuant to the Energy Assistance Act, provided that eligible income shall be no more than 150% of the poverty level or 60% of the State median income, except that for the period from the effective date of this amendatory Act of the 101st General Assembly through June 30, 2021, eligible income shall be no more than 200% of the poverty level. Applicants will be screened to determine whether the applicant's projected payments for electric service or natural gas service over a 12-month period exceed the criteria established in this Section. The Department, in consultation with the Policy Advisory

Council, may adjust the percentage of poverty level annually to determine income eligibility. To maintain the financial integrity of the program, the Department may limit eligibility to households with income below 125% of the poverty level.

(2) The Department shall establish the percentage of income formula to determine the amount of a monthly credit for participants with eligible income based on poverty level. ~~, not to exceed $150 per month per household, not to exceed $1,800 annually; however, for the period from the effective date of this amendatory Act of the 101st General Assembly through June 30, 2021, the monthly credit for participants with eligible income over 100% of the poverty level may be as much as $200 per month per household, not to exceed $2,400 annually, and, the monthly credit for participants with eligible income 100% or less of the poverty level may be as much as $250 per month per household, not to exceed $3,000 annually.~~ Credits will be applied to PIP Plan participants' utility bills based on the portion of the bill that is the responsibility of the participant provided that the percentage shall be no more than a total of 6% of the relevant income for gas and electric utility bills combined, but in any event no less than $10 per month, unless the household does not pay directly for heat, in which case its payment shall be 2.4% of income but in any event no less than $5 per month. The

Department, in consultation with the Policy Advisory Council, may adjust such monthly credit amounts annually and may establish a minimum credit amount based on the cost of administering the program and may deny credits to otherwise eligible participants if the cost of administering the credit exceeds the actual amount of any monthly credit to a participant. If the participant takes both gas and electric service, 50% ~~66.67%~~ of the credit shall be allocated to the entity that provides the participant's primary energy supply for heating. Each participant shall enter into a levelized payment plan for, as applicable, gas and electric service and such plans shall be implemented by the utility so that a participant's usage and required payments are reviewed and adjusted regularly, but no more frequently than quarterly. Nothing in this Section is intended to prohibit a customer, who is otherwise eligible for LIHEAP, from participating in the program described in Section 4 of this Act. Eligible participants who receive such a benefit shall be considered plan participants and shall be eligible to participate in the Arrearage Reduction Program described in item (5) of this subsection (c).

(3) The Department shall remit, through the LAAs, to the utility or participating alternative supplier that portion of the plan participant's bill that is not the responsibility of the participant. In the event that the

Department fails to timely remit payment to the utility, the utility shall be entitled to recover all costs related to such nonpayment through the automatic adjustment clause tariffs established pursuant to Section 16-111.8 and Section 19-145 of the Public Utilities Act. For purposes of this item (3) of this subsection (c), payment is due on the date specified on the participant's bill. The Department, the Department of Revenue and LAAs shall adopt processes that provide for the timely payment required by this item (3) of this subsection (c).

(4) A plan participant is responsible for all actual charges for utility service in excess of the PIPP credit. Pre-program arrears that are included in the Arrearage Reduction Program described in item (5) of this subsection (c) shall not be included in the calculation of the levelized payment plan. Emergency or crisis assistance payments shall not affect the amount of any PIPP credit to which a participant is entitled.

(5) Electric and gas utilities subject to this Section shall implement an Arrearage Reduction Program (ARP) for plan participants as follows: for each month that a plan participant timely pays his or her utility bill, the utility shall apply a credit to a portion of the participant's pre-program arrears, if any, equal to one-twelfth of such arrearage provided that the total amount of arrearage credits shall equal no more than

$1,000 annually for each participant for gas and no more than $1,000 annually for each participant for electricity. In the third year of the PIPP, the Department, in consultation with the Policy Advisory Council established pursuant to Section 5 of this Act, shall determine by rule an appropriate per participant total cap on such amounts, if any. Those plan participants participating in the ARP shall not be subject to the imposition of any additional late payment fees on pre-program arrears covered by the ARP. In all other respects, the utility shall bill and collect the monthly bill of a plan participant pursuant to the same rules, regulations, programs and policies as applicable to residential customers generally. Participation in the Arrearage Reduction Program shall be limited to the maximum amount of funds available as set forth in subsection (f) of Section 13 of this Act. In the event any donated funds under Section 13 of this Act are specifically designated for the purpose of funding the ARP, the Department shall remit such amounts to the utilities upon verification that such funds are needed to fund the ARP. Nothing in this Section shall preclude a utility from continuing to implement, and apply credits under, an ARP in the event that the PIPP or LIHEAP is suspended due to lack of funding such that the plan participant does not receive a benefit under either the PIPP or LIHEAP.

(5.5) In addition to the ARP described in paragraph (5) of this subsection (c), utilities may also implement a Supplemental Arrearage Reduction Program (SARP) for eligible participants who are not able to become plan participants due to PIPP timing or funding constraints. If a utility elects to implement a SARP, it shall be administered as follows: for each month that a SARP participant timely pays his or her utility bill, the utility shall apply a credit to a portion of the participant's pre-program arrears, if any, equal to one-twelfth of such arrearage, provided that the utility may limit the total amount of arrearage credits to no more than $1,000 annually for each participant for gas and no more than $1,000 annually for each participant for electricity. SARP participants shall not be subject to the imposition of any additional late payment fees on pre-program arrears covered by the SARP. In all other respects, the utility shall bill and collect the monthly bill of a SARP participant under the same rules, regulations, programs, and policies as applicable to residential customers generally. Participation in the SARP shall be limited to the maximum amount of funds available as set forth in subsection (f) of Section 13 of this Act. In the event any donated funds under Section 13 of this Act are specifically designated for the purpose of funding the SARP, the Department shall remit such amounts to the

utilities upon verification that such funds are needed to fund the SARP.

(6) The Department may terminate a plan participant's eligibility for the PIP Plan upon notification by the utility that the participant's monthly utility payment is more than 75 ~~45~~ days past due. One-twelfth of a customer's arrearage shall be deducted from the total arrearage owed for each on-time payment made by the customer.

(7) The Department, in consultation with the Policy Advisory Council, may adjust the number of PIP Plan participants annually, if necessary, to match the availability of funds. Any plan participant who qualifies for a PIPP credit under a utility's PIPP shall be entitled to participate in and receive a credit under such utility's ARP for so long as such utility has ARP funds available, regardless of whether the customer's participation under another utility's PIPP or ARP has been curtailed or limited because of a lack of funds.

(8) The Department shall fully implement the PIPP at the earliest possible date it is able to effectively administer the PIPP. Within 90 days of the effective date of this amendatory Act of the 96th General Assembly, the Department shall, in consultation with utility companies, participating alternative suppliers, LAAs and the Illinois Commerce Commission (Commission), issue a detailed implementation plan which shall include detailed testing

protocols and analysis of the capacity for implementation by the LAAs and utilities. Such consultation process also shall address how to implement the PIPP in the most cost-effective and timely manner, and shall identify opportunities for relying on the expertise of utilities, LAAs and the Commission. Following the implementation of the testing protocols, the Department shall issue a written report on the feasibility of full or gradual implementation. The PIPP shall be fully implemented by September 1, 2011, but may be phased in prior to that date.

(9) As part of the screening process established under item (1) of this subsection (c), the Department and LAAs shall assess whether any energy efficiency or demand response measures are available to the plan participant at no cost, and if so, the participant shall enroll in any such program for which he or she is eligible. The LAAs shall assist the participant in the applicable enrollment or application process.

(10) Each alternative retail electric and gas supplier serving residential customers shall elect whether to participate in the PIPP or ARP described in this Section. Any such supplier electing to participate in the PIPP shall provide to the Department such information as the Department may require, including, without limitation, information sufficient for the Department to determine the proportionate allocation of credits between the

alternative supplier and the utility. If a utility in whose service territory an alternative supplier serves customers contributes money to the ARP fund which is not recovered from ratepayers, then an alternative supplier which participates in ARP in that utility's service territory shall also contribute to the ARP fund in an amount that is commensurate with the number of alternative supplier customers who elect to participate in the program.

(11) The PIPP shall be designed and implemented each year to maximize participation and spend at least 80% of the funding available for the year.

(d) The Department, in consultation with the Policy Advisory Council, shall develop and implement a program to educate customers about the PIP Plan and about their rights and responsibilities under the percentage of income component. The Department, in consultation with the Policy Advisory Council, shall establish a process that LAAs shall use to contact customers in jeopardy of losing eligibility due to late payments. The Department shall ensure that LAAs are adequately funded to perform all necessary educational tasks.

(e) The PIPP shall be administered in a manner which ensures that credits to plan participants will not be counted as income or as a resource in other means-tested assistance programs for low-income households or otherwise result in the loss of federal or State assistance dollars for low-income

households.

(f) In order to ensure that implementation costs are minimized, the Department and utilities shall work together to identify cost-effective ways to transfer information electronically and to employ available protocols that will minimize their respective administrative costs as follows:

(1) The Commission may require utilities to provide such information on customer usage and billing and payment information as required by the Department to implement the PIP Plan and to provide written notices and communications to plan participants.

(2) Each utility and participating alternative supplier shall file annual reports with the Department and the Commission that cumulatively summarize and update program information as required by the Commission's rules. The reports shall track implementation costs and contain such information as is necessary to evaluate the success of the PIPP.

(2.5) The Department shall annually prepare and submit a report to the General Assembly, the Commission, and the Policy Advisory Council that identifies the following amounts for the most recently completed year: total monies collected under subsection (b) of Section 13 of this Act for all PIPPs implemented in the State; monies allocated to each utility for implementation of its PIPP; and monies allocated to each utility for other purposes, including a

description of each of those purposes. The Commission shall publish the report on its website.

(3) The Department and the Commission shall have the authority to promulgate rules and regulations necessary to execute and administer the provisions of this Section.

(g) Each utility shall be entitled to recover reasonable administrative and operational costs incurred to comply with this Section from the Supplemental Low Income Energy Assistance Fund. The utility may net such costs against monies it would otherwise remit to the Funds, and each utility shall include in the annual report required under subsection (f) of this Section an accounting for the funds collected.

(Source: P.A. 101-636, eff. 6-10-20.)

Section 90-55. The Environmental Protection Act is amended by adding Sections 3.131 and 9.18 and by changing Sections 9.15 and 22.59 as follows:

(415 ILCS 5/3.131 new)

Sec. 3.131. Clean energy. "Clean energy" means energy generation that is substantially free (90% or greater) of carbon dioxide emissions.

(415 ILCS 5/9.15)

Sec. 9.15. Greenhouse gases.

(a) An air pollution construction permit shall not be

required due to emissions of greenhouse gases if the equipment, site, or source is not subject to regulation, as defined by 40 CFR 52.21, as now or hereafter amended, for greenhouse gases or is otherwise not addressed by the Board in regulations for greenhouse gases. These exemptions do~~. This exemption does~~ not relieve an owner or operator from the obligation to comply with other applicable rules or regulations.

(b) An air pollution operating permit shall not be required due to emissions of greenhouse gases if the equipment, site, or source is not subject to regulation, as defined by Section 39.5 of this Act, for greenhouse gases or is otherwise not addressed by the Board in regulations for greenhouse gases. These exemptions do~~. This exemption does~~ not relieve an owner or operator from the obligation to comply with other applicable rules or regulations.

(c) (Blank). ~~Notwithstanding any provision to the contrary in this Section, an air pollution construction or operating permit shall not be required due to emissions of greenhouse gases if any of the following events occur:~~

~~(1) enactment of federal legislation depriving the Administrator of the USEPA of authority to regulate greenhouse gases under the Clean Air Act;~~

~~(2) the issuance of any opinion, ruling, judgment, order, or decree by a federal court depriving the Administrator of the USEPA of authority to regulate~~

~~greenhouse gases under the Clean Air Act; or~~

~~(3) action by the President of the United States or the President's authorized agent, including the Administrator of the USEPA, to repeal or withdraw the Greenhouse Gas Tailoring Rule (75 Fed. Reg. 31514, June 3, 2010).~~

~~This subsection (c) does not relieve an owner or operator from the obligation to comply with applicable rules or regulations other than those relating to greenhouse gases.~~

(d) (Blank). ~~If any event listed in subsection (c) of this Section occurs, permits issued after such event shall not impose permit terms or conditions addressing greenhouse gases during the effectiveness of any event listed in subsection (c).~~

(e) (Blank). ~~If an event listed in subsection (c) of this Section occurs, any owner or operator with a permit that includes terms or conditions addressing greenhouse gases may elect to submit an application to the Agency to address a revision or repeal of such terms or conditions. The Agency shall expeditiously process such permit application in accordance with applicable laws and regulations.~~

(f) As used in this Section:

"Carbon dioxide emission" means the plant annual CO_2 total output emission as measured by the United States Environmental Protection Agency in its Emissions & Generation Resource Integrated Database (eGrid).

"Carbon dioxide equivalent emissions" or "CO_2e" means the sum total of the mass amount of emissions in tons per year, calculated by multiplying the mass amount of each of the 6 greenhouse gases specified in Section 3.207, in tons per year, by its associated global warming potential as set forth in 40 CFR 98, subpart A, table A-1 or its successor, and then adding them all together.

"Cogeneration" or "combined heat and power" refers to any system that, either simultaneously or sequentially, produces electricity and useful thermal energy from a single fuel source.

"Copollutants" refers to the 6 criteria pollutants that have been identified by the United States Environmental Protection Agency pursuant to the Clean Air Act.

"Electric generating unit" or "EGU" means a fossil fuel-fired stationary boiler, combustion turbine, or combined cycle system that serves as a generator that has a nameplate capacity greater than 25 MWe and produces electricity for sale.

"Environmental justice community" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its program administrator in the Illinois Solar for All Program.

"Equity investment eligible community" or "eligible community" means the geographic areas throughout Illinois that would most benefit from equitable investments by the State

designed to combat discrimination and foster sustainable economic growth. Specifically, eligible community means the following areas:

(1) areas where residents have been historically excluded from economic opportunities, including opportunities in the energy sector, as defined as R3 areas pursuant to Section 10-40 of the Cannabis Regulation and Tax Act; and

(2) areas where residents have been historically subject to disproportionate burdens of pollution, including pollution from the energy sector, as established by environmental justice communities as defined by the Illinois Power Agency pursuant to the Illinois Power Agency Act, excluding any racial or ethnic indicators.

"Equity investment eligible person" or "eligible person" means the persons who would most benefit from equitable investments by the State designed to combat discrimination and foster sustainable economic growth. Specifically, eligible person means the following people:

(1) persons whose primary residence is in an equity investment eligible community;

(2) persons whose primary residence is in a municipality, or a county with a population under 100,000, where the closure of an electric generating unit or mine has been publicly announced or the electric generating unit or mine is in the process of closing or closed within

the last 5 years;

(3) persons who are graduates of or currently enrolled in the foster care system; or

(4) persons who were formerly incarcerated.

"Existing emissions" means:

(1) for CO_2e, the total average tons-per-year of CO_2e emitted by the EGU or large GHG-emitting unit either in the years 2018 through 2020 or, if the unit was not yet in operation by January 1, 2018, in the first 3 full years of that unit's operation; and

(2) for any copollutant, the total average tons-per-year of that copollutant emitted by the EGU or large GHG-emitting unit either in the years 2018 through 2020 or, if the unit was not yet in operation by January 1, 2018, in the first 3 full years of that unit's operation.

"Green hydrogen" means a power plant technology in which an EGU creates electric power exclusively from electrolytic hydrogen, in a manner that produces zero carbon and copollutant emissions, using hydrogen fuel that is electrolyzed using a 100% renewable zero carbon emission energy source.

"Large greenhouse gas-emitting unit" or "large GHG-emitting unit" means a unit that is an electric generating unit or other fossil fuel-fired unit that itself has a nameplate capacity or serves a generator that has a nameplate capacity greater than 25 MWe and that produces electricity,

including, but not limited to, coal-fired, coal-derived, oil-fired, natural gas-fired, and cogeneration units.

"NO_x emission rate" means the "plant annual NO_x total output emission rate" as measured by the United States Environmental Protection Agency in its Emissions & Generation Resource Integrated Database (eGrid), in the most recent year for which data is available.

"Public greenhouse gas-emitting units" or "public GHG-emitting unit" means large greenhouse gas-emitting units, including EGUs, that are wholly owned, directly or indirectly, by one or more municipalities, municipal corporations, joint municipal electric power agencies, electric cooperatives, or other governmental or nonprofit entities, whether organized and created under the laws of Illinois or another state.

"SO_2 emission rate" means the "plant annual SO_2 total output emission rate" as measured by the United States Environmental Protection Agency in its Emissions & Generation Resource Integrated Database (eGrid), in the most recent year for which data is available.

(g) All EGUs and large greenhouse gas-emitting units that use coal or oil as a fuel and are not public GHG-emitting units shall permanently reduce all CO_2e and copollutant emissions to zero no later than January 1, 2030.

(h) All EGUs and large greenhouse gas-emitting units that use coal as a fuel and are public GHG-emitting units shall permanently reduce carbon dioxide and copollutant emissions to

zero no later than December 31, 2045.

(i) All EGUs and large greenhouse gas-emitting units that use gas as a fuel and are not public GHG-emitting units shall permanently reduce all CO_2e and copollutant emissions to zero, including through unit retirement or the use of 100% green hydrogen or other similar technology that is commercially proven to achieve zero carbon emissions, according to the following:

(1) No later than January 1, 2030: all EGUs and large greenhouse gas-emitting units that have a NO_x emissions rate of greater than 0.12 lbs/MWh or a SO_2 emission rate of greater than 0.006 lb/MWh, and are located in or within 3 miles of an environmental justice community or an equity investment eligible community.

(2) No later than January 1, 2040: all EGUs and large greenhouse gas-emitting units that have a NO_x emission rate of greater than 0.12 lbs/MWh or a SO_2 emission rate greater than 0.006 lb/MWh, and are not located in or within 3 miles of an environmental justice community or an equity investment eligible community. After January 1, 2035, each such EGU and large greenhouse gas-emitting unit shall reduce its CO_2e emissions by at least 50% from its existing emissions for CO_2e, and shall be limited in operation to, on average, 6 hours or less per day, measured over a calendar year, and shall not run for more than 24 consecutive hours except in emergency conditions,

as designated by a Regional Transmission Organization or Independent System Operator.

(3) No later than January 1, 2035: all EGUs and large greenhouse gas-emitting units that began operation prior to the effective date of this amendatory Act of the 102nd General Assembly and have a NO_x emission rate of less than or equal to 0.12 lb/MWh and a SO_2 emission rate less than or equal to 0.006 lb/MWh, and are located in or within 3 miles of an environmental justice community or an equity investment eligible community. Each such EGU and large greenhouse gas-emitting unit shall reduce its CO_2e emissions by at least 50% from its existing emissions for CO_2e no later than January 1, 2030.

(4) No later than January 1, 2040: All remaining EGUs and large greenhouse gas-emitting units that have a heat rate greater than or equal to 7000 BTU/kWh. Each such EGU and Large greenhouse gas-emitting unit shall reduce its CO_2e emissions by at least 50% from its existing emissions for CO_2e no later than January 1, 2035.

(5) No later than January 1, 2045: all remaining EGUs and large greenhouse gas-emitting units.

(j) All EGUs and large greenhouse gas-emitting units that use gas as a fuel and are public GHG-emitting units shall permanently reduce all CO_2e and copollutant emissions to zero, including through unit retirement or the use of 100% green hydrogen or other similar technology that is commercially

proven to achieve zero carbon emissions by January 1, 2045.

(k) All EGUs and large greenhouse gas-emitting units that utilize combined heat and power or cogeneration technology shall permanently reduce all CO_2e and copollutant emissions to zero, including through unit retirement or the use of 100% green hydrogen or other similar technology that is commercially proven to achieve zero carbon emissions by January 1, 2045.

(k-5) No EGU or large greenhouse gas-emitting unit that uses gas as a fuel and is not a public GHG-emitting unit may emit, in any 12-month period, CO_2e or copollutants in excess of that unit's existing emissions for those pollutants.

(l) Notwithstanding subsections (g) through (k-5), large GHG-emitting units including EGUs may temporarily continue emitting greenhouse gases after any applicable deadline specified in any of subsections (g) through (k-5) if it has been determined, as described in paragraphs (1) and (2) of this subsection, that ongoing operation of the EGU is necessary to maintain power grid supply and reliability or ongoing operation of large GHG-emitting unit that is not an EGU is necessary to serve as an emergency backup to operations. Up to and including the occurrence of an emission reduction deadline under subsection (i), all EGUs and large GHG-emitting units must comply with the following terms:

(1) if an EGU or large GHG-emitting unit that is a participant in a regional transmission organization

intends to retire, it must submit documentation to the appropriate regional transmission organization by the appropriate deadline that meets all applicable regulatory requirements necessary to obtain approval to permanently cease operating the large GHG-emitting unit;

(2) if any EGU or large GHG-emitting unit that is a participant in a regional transmission organization receives notice that the regional transmission organization has determined that continued operation of the unit is required, the unit may continue operating until the issue identified by the regional transmission organization is resolved. The owner or operator of the unit must cooperate with the regional transmission organization in resolving the issue and must reduce its emissions to zero, consistent with the requirements under subsection (g), (h), (i), (j), (k), or (k-5), as applicable, as soon as practicable when the issue identified by the regional transmission organization is resolved; and

(3) any large GHG-emitting unit that is not a participant in a regional transmission organization shall be allowed to continue emitting greenhouse gases after the zero-emission date specified in subsection (g), (h), (i), (j), (k), or (k-5), as applicable, in the capacity of an emergency backup unit if approved by the Illinois Commerce Commission.

(m) No variance, adjusted standard, or other regulatory relief otherwise available in this Act may be granted to the emissions reduction and elimination obligations in this Section.

(n) By June 30 of each year, beginning in 2025, the Agency shall prepare and publish on its website a report setting forth the actual greenhouse gas emissions from individual units and the aggregate statewide emissions from all units for the prior year.

(o) Every 5 years beginning in 2025, the Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission shall jointly prepare, and release publicly, a report to the General Assembly that examines the State's current progress toward its renewable energy resource development goals, the status of CO_2e and copollutant emissions reductions, the current status and progress toward developing and implementing green hydrogen technologies, the current and projected status of electric resource adequacy and reliability throughout the State for the period beginning 5 years ahead, and proposed solutions for any findings. The Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission shall consult PJM Interconnection, LLC and Midcontinent Independent System Operator, Inc., or their respective successor organizations regarding forecasted resource adequacy and reliability needs, anticipated new generation interconnection, new transmission

development or upgrades, and any announced large GHG-emitting unit closure dates and include this information in the report. The report shall be released publicly by no later than December 15 of the year it is prepared. If the Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission jointly conclude in the report that the data from the regional grid operators, the pace of renewable energy development, the pace of development of energy storage and demand response utilization, transmission capacity, and the CO_2e and copollutant emissions reductions required by subsection (i) reasonably demonstrate that a resource adequacy shortfall will occur, including whether there will be sufficient in-state capacity to meet the zonal requirements of MISO Zone 4 or the PJM ComEd Zone, per the requirements of the regional transmission organizations, or that the regional transmission operators determine that a reliability violation will occur during the time frame the study is evaluating, then the Illinois Power Agency, in conjunction with the Environmental Protection Agency shall develop a plan to reduce or delay CO_2e and copollutant emissions reductions requirements only to the extent and for the duration necessary to meet the resource adequacy and reliability needs of the State, including allowing any plants whose emission reduction deadline has been identified in the plan as creating a reliability concern to continue operating, including operating with reduced emissions or as emergency backup where

appropriate.

(1) In developing the plan, the Environmental Protection Agency and the Illinois Power Agency shall hold at least one workshop open to the public and shall consider any comments made by stakeholders or the public. Upon development of the plan, copies of the plan shall be posted and made publicly available on the Environmental Protection Agency's, the Illinois Power Agency's, and the Illinois Commerce Commission's websites. All interested parties shall have 60 days following the date of posting to provide comment to the Environmental Protection Agency and the Illinois Power Agency on the plan. All comments submitted to the Environmental Protection Agency and the Illinois Power Agency shall be encouraged to be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Environmental Protection Agency's, the Illinois Power Agency's, and the Illinois Commerce Commission's websites. Within 30 days following the end of the 60-day review period, the Environmental Protection Agency and the Illinois Power Agency shall revise the plan as necessary based on the comments received and file its revised plan with the Illinois Commerce Commission for approval.

(2) Within 60 days after the filing of the revised

plan at the Illinois Commerce Commission, any person objecting to the plan shall file an objection with the Illinois Commerce Commission. Within 30 days after the expiration of the comment period, the Illinois Commerce Commission shall determine whether an evidentiary hearing is necessary. The Illinois Commerce Commission shall also host 3 public hearings within 90 days after the plan is filed. Following the evidentiary and public hearings, the Illinois Commerce Commission shall enter its order approving or approving with modifications the reliability mitigation plan within 180 days.

(3) The Illinois Commerce Commission shall only approve the plan if the Illinois Commerce Commission determines that it will resolve the resource adequacy or reliability deficiency identified in the reliability mitigation plan at the least amount of CO_2e and copollutant emissions, taking into consideration the emissions impacts on environmental justice communities, and that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account the impact of increases in emissions.

(4) If the resource adequacy or reliability deficiency identified in the reliability mitigation plan is resolved or reduced, the Environmental Protection Agency and the Illinois Power Agency may file an amended plan adjusting

the reduction or delay in CO_2e and copollutant emission reduction requirements identified in the plan.

(Source: P.A. 97-95, eff. 7-12-11.)

(415 ILCS 5/9.18 new)

Sec. 9.18. Commission on market-based carbon pricing solutions.

(a) In the United States, state-based market policies to reduce greenhouse gases have been in operation since 2009. More than a quarter of the US population lives in a state with carbon pricing and these states represent one-third of the United States' gross domestic product. Market-based policies have proved effective at reducing emissions in states across the United States, and around the world. Additionally, well-designed carbon pricing incentivizes energy efficiency and drives investments in low-carbon solutions and technologies, such as renewables, hydrogen, biofuels, and carbon capture, use, and storage. Illinois must assess available suites of programs and policies to support a rapid, economy-wide decarbonization and spur the development of a clean energy economy in the State, while maintaining Illinois' competitive advantage.

(b) The Governor is hereby authorized to create a carbon pricing commission to study the short-term and long-term impacts of joining, implementing, or designing a sector-based, statewide, or regional carbon pricing program. The commission

shall analyze and compare the relative cost of, and greenhouse gas reductions from, various carbon pricing programs available to Illinois and the Midwest, including, but not limited to: the Regional Greenhouse Gas Initiative (RGGI), the Transportation and Climate Initiative (TCI), California's cap-and-trade program, California's low carbon fuel standard, Washington State's cap-and-invest program, the Oregon Clean Fuels Program, and other relevant market-based programs. At the conclusion of the study, no later than December 31, 2022, the commission shall issue a public report containing its findings.

(c) This Section is repealed on January 1, 2024.

(415 ILCS 5/22.59)

Sec. 22.59. CCR surface impoundments.

(a) The General Assembly finds that:

(1) the State of Illinois has a long-standing policy to restore, protect, and enhance the environment, including the purity of the air, land, and waters, including groundwaters, of this State;

(2) a clean environment is essential to the growth and well-being of this State;

(3) CCR generated by the electric generating industry has caused groundwater contamination and other forms of pollution at active and inactive plants throughout this State;

(4) environmental laws should be supplemented to ensure consistent, responsible regulation of all existing CCR surface impoundments; and

(5) meaningful participation of State residents, especially vulnerable populations who may be affected by regulatory actions, is critical to ensure that environmental justice considerations are incorporated in the development of, decision-making related to, and implementation of environmental laws and rulemaking that protects and improves the well-being of communities in this State that bear disproportionate burdens imposed by environmental pollution.

Therefore, the purpose of this Section is to promote a healthful environment, including clean water, air, and land, meaningful public involvement, and the responsible disposal and storage of coal combustion residuals, so as to protect public health and to prevent pollution of the environment of this State.

The provisions of this Section shall be liberally construed to carry out the purposes of this Section.

(b) No person shall:

(1) cause or allow the discharge of any contaminants from a CCR surface impoundment into the environment so as to cause, directly or indirectly, a violation of this Section or any regulations or standards adopted by the Board under this Section, either alone or in combination

with contaminants from other sources;

(2) construct, install, modify, operate, or close any CCR surface impoundment without a permit granted by the Agency, or so as to violate any conditions imposed by such permit, any provision of this Section or any regulations or standards adopted by the Board under this Section; or

(3) cause or allow, directly or indirectly, the discharge, deposit, injection, dumping, spilling, leaking, or placing of any CCR upon the land in a place and manner so as to cause or tend to cause a violation this Section or any regulations or standards adopted by the Board under this Section.

(c) For purposes of this Section, a permit issued by the Administrator of the United States Environmental Protection Agency under Section 4005 of the federal Resource Conservation and Recovery Act, shall be deemed to be a permit under this Section and subsection (y) of Section 39.

(d) Before commencing closure of a CCR surface impoundment, in accordance with Board rules, the owner of a CCR surface impoundment must submit to the Agency for approval a closure alternatives analysis that analyzes all closure methods being considered and that otherwise satisfies all closure requirements adopted by the Board under this Act. Complete removal of CCR, as specified by the Board's rules, from the CCR surface impoundment must be considered and analyzed. Section 3.405 does not apply to the Board's rules

specifying complete removal of CCR. The selected closure method must ensure compliance with regulations adopted by the Board pursuant to this Section.

(e) Owners or operators of CCR surface impoundments who have submitted a closure plan to the Agency before May 1, 2019, and who have completed closure prior to 24 months after July 30, 2019 (the effective date of Public Act 101-171) ~~this amendatory Act of the 101st General Assembly~~ shall not be required to obtain a construction permit for the surface impoundment closure under this Section.

(f) Except for the State, its agencies and institutions, a unit of local government, or not-for-profit electric cooperative as defined in Section 3.4 of the Electric Supplier Act, any person who owns or operates a CCR surface impoundment in this State shall post with the Agency a performance bond or other security for the purpose of: (i) ensuring closure of the CCR surface impoundment and post-closure care in accordance with this Act and its rules; and (ii) insuring remediation of releases from the CCR surface impoundment. The only acceptable forms of financial assurance are: a trust fund, a surety bond guaranteeing payment, a surety bond guaranteeing performance, or an irrevocable letter of credit.

(1) The cost estimate for the post-closure care of a CCR surface impoundment shall be calculated using a 30-year post-closure care period or such longer period as may be approved by the Agency under Board or federal

rules.

(2) The Agency is authorized to enter into such contracts and agreements as it may deem necessary to carry out the purposes of this Section. Neither the State, nor the Director, nor any State employee shall be liable for any damages or injuries arising out of or resulting from any action taken under this Section.

(3) The Agency shall have the authority to approve or disapprove any performance bond or other security posted under this subsection. Any person whose performance bond or other security is disapproved by the Agency may contest the disapproval as a permit denial appeal pursuant to Section 40.

(g) The Board shall adopt rules establishing construction permit requirements, operating permit requirements, design standards, reporting, financial assurance, and closure and post-closure care requirements for CCR surface impoundments. Not later than 8 months after July 30, 2019 (the effective date of Public Act 101-171) ~~this amendatory Act of the 101st General Assembly~~ the Agency shall propose, and not later than one year after receipt of the Agency's proposal the Board shall adopt, rules under this Section. The Board shall not be deemed in noncompliance with the rulemaking deadline due to delays in adopting rules as a result of the Joint Commission on Administrative Rules oversight process. The rules must, at a minimum:

(1) be at least as protective and comprehensive as the federal regulations or amendments thereto promulgated by the Administrator of the United States Environmental Protection Agency in Subpart D of 40 CFR 257 governing CCR surface impoundments;

(2) specify the minimum contents of CCR surface impoundment construction and operating permit applications, including the closure alternatives analysis required under subsection (d);

(3) specify which types of permits include requirements for closure, post-closure, remediation and all other requirements applicable to CCR surface impoundments;

(4) specify when permit applications for existing CCR surface impoundments must be submitted, taking into consideration whether the CCR surface impoundment must close under the RCRA;

(5) specify standards for review and approval by the Agency of CCR surface impoundment permit applications;

(6) specify meaningful public participation procedures for the issuance of CCR surface impoundment construction and operating permits, including, but not limited to, public notice of the submission of permit applications, an opportunity for the submission of public comments, an opportunity for a public hearing prior to permit issuance, and a summary and response of the comments prepared by the

Agency;

(7) prescribe the type and amount of the performance bonds or other securities required under subsection (f), and the conditions under which the State is entitled to collect moneys from such performance bonds or other securities;

(8) specify a procedure to identify areas of environmental justice concern in relation to CCR surface impoundments;

(9) specify a method to prioritize CCR surface impoundments required to close under RCRA if not otherwise specified by the United States Environmental Protection Agency, so that the CCR surface impoundments with the highest risk to public health and the environment, and areas of environmental justice concern are given first priority;

(10) define when complete removal of CCR is achieved and specify the standards for responsible removal of CCR from CCR surface impoundments, including, but not limited to, dust controls and the protection of adjacent surface water and groundwater; and

(11) describe the process and standards for identifying a specific alternative source of groundwater pollution when the owner or operator of the CCR surface impoundment believes that groundwater contamination on the site is not from the CCR surface impoundment.

(h) Any owner of a CCR surface impoundment that generates CCR and sells or otherwise provides coal combustion byproducts pursuant to Section 3.135 shall, every 12 months, post on its publicly available website a report specifying the volume or weight of CCR, in cubic yards or tons, that it sold or provided during the past 12 months.

(i) The owner of a CCR surface impoundment shall post all closure plans, permit applications, and supporting documentation, as well as any Agency approval of the plans or applications on its publicly available website.

(j) The owner or operator of a CCR surface impoundment shall pay the following fees:

(1) An initial fee to the Agency within 6 months after July 30, 2019 (the effective date of Public Act 101-171) ~~this amendatory Act of the 101st General Assembly~~ of:

$50,000 for each closed CCR surface impoundment; and

$75,000 for each CCR surface impoundment that have not completed closure.

(2) Annual fees to the Agency, beginning on July 1, 2020, of:

$25,000 for each CCR surface impoundment that has not completed closure; and

$15,000 for each CCR surface impoundment that has completed closure, but has not completed post-closure care.

(k) All fees collected by the Agency under subsection (j) shall be deposited into the Environmental Protection Permit and Inspection Fund.

(l) The Coal Combustion Residual Surface Impoundment Financial Assurance Fund is created as a special fund in the State treasury. Any moneys forfeited to the State of Illinois from any performance bond or other security required under this Section shall be placed in the Coal Combustion Residual Surface Impoundment Financial Assurance Fund and shall, upon approval by the Governor and the Director, be used by the Agency for the purposes for which such performance bond or other security was issued. The Coal Combustion Residual Surface Impoundment Financial Assurance Fund is not subject to the provisions of subsection (c) of Section 5 of the State Finance Act.

(m) The provisions of this Section shall apply, without limitation, to all existing CCR surface impoundments and any CCR surface impoundments constructed after July 30, 2019 (the effective date of Public Act 101-171) ~~this amendatory Act of the 101st General Assembly~~, except to the extent prohibited by the Illinois or United States Constitutions.

(Source: P.A. 101-171, eff. 7-30-19; revised 10-22-19.)

Section 90-60. The Illinois Worker Adjustment and Retraining Notification Act is amended by changing Section 10 as follows:

(820 ILCS 65/10)

Sec. 10. Notice.

(a) An employer may not order a mass layoff, relocation, or employment loss unless, 60 days before the order takes effect, the employer gives written notice of the order to the following:

(1) affected employees and representatives of affected employees; and

(2) the Department of Commerce and Economic Opportunity and the chief elected official of each municipal and county government within which the employment loss, relocation, or mass layoff occurs.

(a-5) An owner of an investor-owned electric generating plant or coal mining operation may not order a mass layoff, relocation, or employment loss unless, 2 years before the order takes effect, the employer gives written notice of the order to the following:

(1) affected employees and representatives of affected employees; and

(2) the Department of Commerce and Economic Opportunity and the chief elected official of each municipal and county government within which the employment loss, relocation, or mass layoff occurs.

(b) An employer required to give notice of any mass layoff, relocation, or employment loss under this Act shall

include in its notice the elements required by the federal Worker Adjustment and Retraining Notification Act (29 U.S.C. 2101 et seq.).

(c) Notwithstanding the requirements of subsection (a), an employer is not required to provide notice if a mass layoff, relocation, or employment loss is necessitated by a physical calamity or an act of terrorism or war.

(d) The mailing of notice to an employee's last known address or inclusion of notice in the employee's paycheck shall be considered acceptable methods for fulfillment of the employer's obligation to give notice to each affected employee under this Act.

(e) In the case of a sale of part or all of an employer's business, the seller shall be responsible for providing notice for any plant closing or mass layoff in accordance with this Section, up to and including the effective date of the sale. After the effective date of the sale of part or all of an employer's business, the purchaser shall be responsible for providing notice for any plant closing or mass layoff in accordance with this Section. Notwithstanding any other provision of this Act, any person who is an employee of the seller (other than a part-time employee) as of the effective date of the sale shall be considered an employee of the purchaser immediately after the effective date of the sale.

(f) An employer which is receiving State or local economic development incentives for doing or continuing to do business

in this State may be required to provide additional notice pursuant to Section 15 of the Business Economic Support Act.

(g) The rights and remedies provided to employees by this Act are in addition to, and not in lieu of, any other contractual or statutory rights and remedies of the employees, and are not intended to alter or affect such rights and remedies, except that the period of notification required by this Act shall run concurrently with any period of notification required by contract or by any other law.

(h) It is the sense of the General Assembly that an employer who is not required to comply with the notice requirements of this Section should, to the extent possible, provide notice to its employees about a proposal to close a plant or permanently reduce its workforce.

(Source: P.A. 93-915, eff. 1-1-05.)

Article 99. Miscellaneous Provisions; Effective Date

Section 99-95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 99-97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 99-99. Effective date. This Act takes effect upon becoming law.